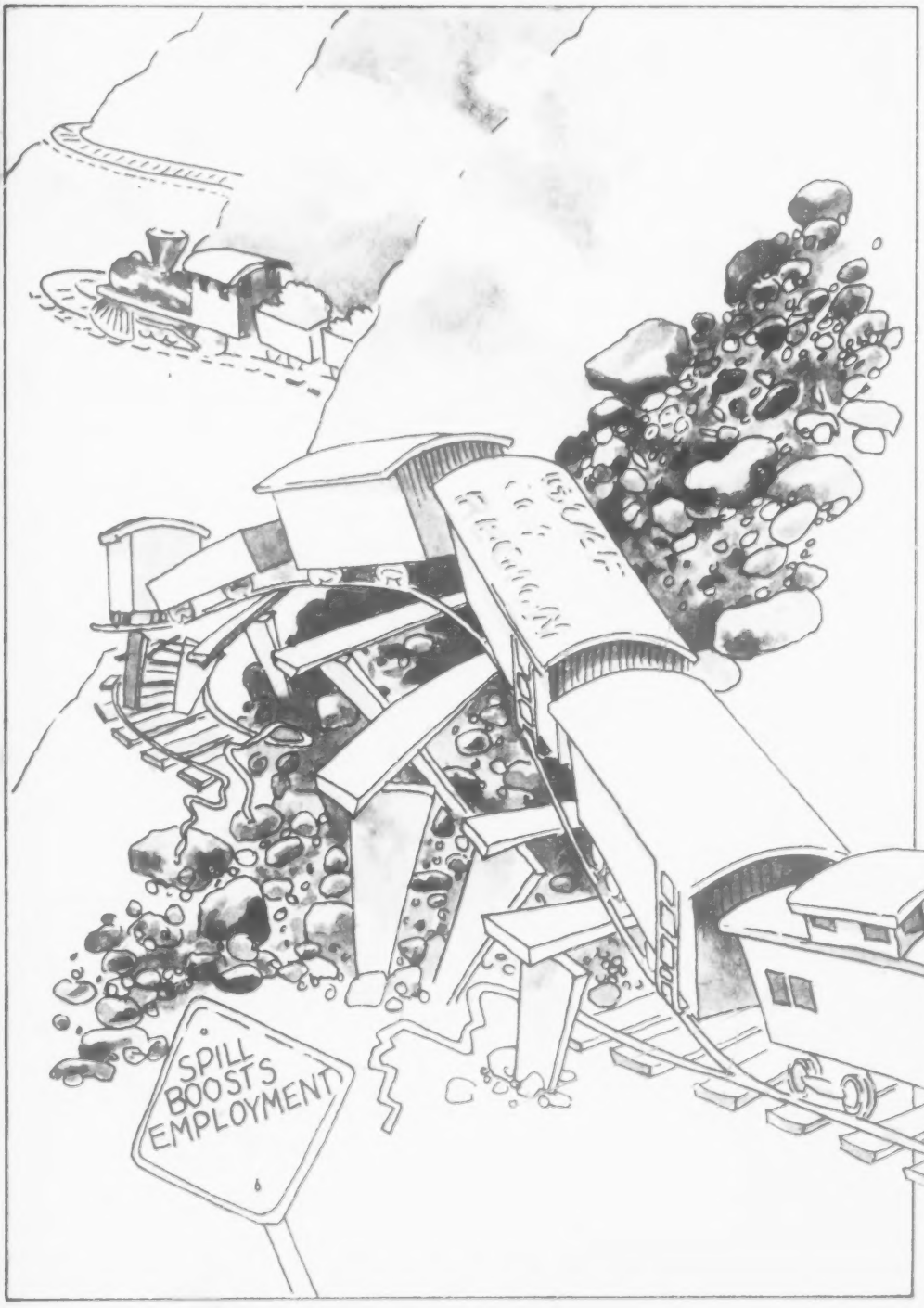
ALASKA ECONOMIC

TRENDS



ALASKA ECONOMIC

TRENDS

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Alaska Economic Trends is a monthly publication dealing with economic-related issues of Alaska. Opinions and analyses expressed by guest authors may not be consistent with those of the Alaska Department of Labor.

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April 1990
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maintaining the foundation of economic security

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Cover design by Jim Fowler

MADE IN ALASKA

YEAR IN REVIEW

1989: Economic Revival Plus An Oil Spill Boom

By John Boucher, Neal Fried, Brian Rae, Holly Stinson

When Alaskans reflect on 1989, many will deem it "The Year of the Spill." The March 24 grounding of the supertanker *Exxon Valdez* on Bligh Reef in Prince William Sound and the resulting oil spill cleanup effort dominated the headlines and mind-set of Alaskans for most of the year.

With an event of such enormous proportions, it's easy to attribute the 1989 turnaround in the Alaska Department of Labor's economic indicators to the oil spill. Employment in the state grew 6.4% from 1988. (See Table 1.) And the 6.7% statewide unemployment rate shattered the previous comparable low of 8.0% set in 1976. But a close look shows that Alaska's economic indicators were rebounding prior to the oil spill.

During the nine months prior to the oil spill, July 1988 to March 1989, employment growth averaged 2.7%. Further, growth was accelerating prior to the spill. Comparing the 1st quarter of 1989 to the 1st quarter of 1988 showed a 3.9% rate of employment growth. The unemployment rate followed the same pattern as employment. Throughout the second half of 1988, the statewide rate was setting records for all-time lows. And by March 1989, the trend to set the all-time low was firmly established.

Despite what trends were established prior to the spill, the spill's effect on employment and unemployment cannot be denied. While it's clear that employment was growing prior to the oil spill, it is equally clear that employment would not have grown 6.4% without the spill. The same analogy can be made for unemployment.

How Much of '89 Growth Was Spill-Related?

How much of the recovery was spill-related and how much was going to happen regardless of the spill? An exact number is impossible to obtain, but a reasonable estimate can be made. The starting point is to identify employment

Table 1

Alaska
Wage and Salary Employment Change
1988-1989

	1988	1989	Change	Percent Change
Total Nonag. Wage & Salary	213,700	227,300	13,600	6.4%
Goods-producing	33,500	35,900	2,400	7.2
Mining	9,600	10,100	500	5.2
Construction	9,000	9,800	800	8.9
Manufacturing	15,000	16,000	1,000	6.7
Durable Goods	3,500	3,700	200	5.7
Lumber & Wood Products	2,700	2,900	200	7.4
Nondurable Goods	11,500	12,300	800	7.0
Seafood Processing	7,900	8,600	700	8.9
Pulp Mills	900	900	0	0.0
Service-producing	180,200	191,400	11,200	6.2
Transportation	17,400	20,700	3,300	19.0
Trucking & Warehousing	2,200	2,300	100	4.5
Water Transportation	1,000	1,400	400	40.0
Air Transportation	5,500	6,100	600	10.9
Communications	3,300	3,200	-100	-3.0
Trade	42,000	44,200	2,200	5.2
Wholesale Trade	7,500	7,900	400	5.3
Retail Trade	34,500	36,300	1,800	5.2
Gen. Merch. & Apparel	5,000	5,400	400	8.0
Food Stores	6,200	6,500	300	4.8
Eating & Drinking Places	12,600	13,000	400	3.2
Finance-Ins. & Real Estate	10,700	10,500	-200	-1.9
Services & Misc.	43,600	47,100	3,500	8.0
Hotels & Lodging Places	4,800	5,000	200	4.2
Government	66,500	68,900	2,400	3.6
Federal	17,900	18,400	500	2.8
State	19,400	20,700	1,300	6.7
Local	29,200	29,800	600	2.1

Prepared in cooperation with U.S. Department of Labor, Bureau of Labor Statistics.
Benchmark March 1989

Source: Alaska Department of Labor, Research & Analysis Section.

Table 2

Wage and Salary Employment Change by Area 1988-1989

Anchorage Borough

	1988	1989	Change	Percent Change
Total Nonag. Wage & Salary	100,200	104,750	4,550	4.5%
Goods-producing	9800	10450	650	6.6
Mining	3,300	3,550	250	7.6
Construction	4,350	4,800	450	10.3
Manufacturing	2,150	2,150	0	0.0
Service-producing	90,400	94,300	3,900	4.3
Transportation	9,250	10,000	750	8.1
Trucking & Warehousing	1,350	1,400	50	3.7
Water Transportation	300	300	0	0.0
Air Transportation	3,400	3,750	350	10.3
Communications	1,800	1,800	0	0.0
Trade	24,150	25,300	1,150	4.8
Wholesale Trade	5,600	5,900	300	5.4
Retail Trade	18,550	19,400	850	4.6
Gen. Merch. & Apparel	2,600	2,700	100	3.8
Food Stores	2,900	3,050	150	5.2
Eating & Drinking Places	7,450	7,650	200	2.7
Finance-Ins. & Real Estate	7,100	6,800	-300	-4.2
Services & Misc	24,450	26,450	2,000	8.2
Hotels & Lodging Places	2,250	2,300	50	2.2
Government	25,500	25,800	300	1.2
Federal	10,250	10,150	-100	-1.0
State	6,850	7,250	400	5.8
Local	8,400	8,400	0	0.0

Fairbanks North Star Borough

	1988	1989	Change	Percent Change
Total Nonag. Wage & Salary	25,500	26,500	1,000	3.9%
Goods-producing	2,250	2,300	50	2.2
Mining	200	150	-50	-25.0
Construction	1,450	1,600	150	10.3
Manufacturing	600	550	-50	-8.3
Service-producing	23,300	24,250	960	4.1
Transportation	1,800	1,900	100	5.6
Trucking & Warehousing	350	450	100	28.6
Air Transportation	300	350	50	16.7
Communications	300	250	-50	-16.7
Trade	5,700	5,900	200	3.5
Wholesale Trade	700	700	0	0.0
Retail Trade	5,000	5,150	150	3.0
Gen. Merch. & Apparel	600	650	50	8.3
Food Stores	750	750	0	0.0
Eating & Drinking Places	2,000	2,000	0	0.0
Finance-Ins. & Real Estate	850	850	0	0.0
Services & Misc.	5,800	5,950	150	2.6
Government	9,150	9,700	550	6.0
Federal	2,800	3,100	300	10.7
State	3,850	4,050	200	5.2
Local	2,550	2,550	0	0.0

Northern Region

	1988	1989	Change	Percent Change
Total Nonag. Wage & Salary	13,100	13,750	650	5.0%
Goods-producing	5,300	5,650	350	6.6
Mining	4,750	5,000	250	5.3
Service-producing	7,800	8,100	300	3.8
Government	4,350	4,300	-50	-1.1
Federal	350	250	-100	-28.6
State	350	350	0	0.0
Local	3,650	3,700	50	1.4

Southwest Region

	1988	1989	Change	Percent Change
Total Nonag. Wage & Salary	13,650	14,950	1,300	9.5%
Goods-producing	3,650	4,500	850	23.3
Seafood Processing	3,150	4,100	950	30.2
Service-producing	10,000	10,450	450	4.5
Government	5,900	6,100	200	3.4
Federal	1,300	1,350	50	3.8
State	500	550	50	10.0
Local	4,100	4,200	100	2.4

Gulf Coast Region

	1988	1989	Change	Percent Change
Total Nonag. Wage & Salary	20,000	24,100	4,100	20.5%
Goods-producing	5,500	5,900	400	7.3
Mining	850	850	0	0.0
Construction	900	1,100	200	22.2
Manufacturing	3,750	3,950	200	5.3
Seafood Processing	3,050	3,000	-50	-1.6
Service-producing	14,500	18,200	3,700	25.5
Transportation	1,400	3,650	2,250	160.7
Trade	3,500	3,750	250	7.1
Wholesale Trade	550	500	-50	-9.1
Retail Trade	3,000	3,200	200	6.7
Finance-Ins. & Real Estate	550	550	0	0.0
Services & Misc.	3,500	4,250	750	21.4
Government	5,550	6,000	450	8.1
Federal	550	550	0	0.0
State	1,650	1,900	250	15.2
Local	3,350	3,550	200	6.0

Southeast Region

	1988	1989	Change	Percent Change
Total Nonag. Wage & Salary	30,850	32,200	1,350	4.4%
Goods-producing	6,400	6,500	100	1.6
Mining	200	300	100	50.0
Construction	1,050	1,100	50	4.8
Manufacturing	5,150	5,150	0	0.0
Durable Goods	2,650	2,700	50	1.9
Lumber & Wood Products	2,550	2,550	0	0.0
Nondurable Goods	2,450	2,400	-50	-2.0
Seafood Processing	1,400	1,300	-100	-7.1
Pulp Mills	900	950	50	5.6
Service-producing	24,500	25,700	1,200	4.9
Transportation	2,250	2,350	100	4.4
Trade	4,850	5,200	350	7.2
Wholesale Trade	450	550	100	22.2
Retail Trade	4,400	4,600	200	4.5
Finance-Ins. & Real Estate	1,000	1,050	50	5.0
Services & Misc.	4,950	5,150	200	4.0
Government	11,450	12,000	550	4.8
Federal	1,950	2,050	100	5.1
State	5,150	5,450	300	5.8
Local	4,350	4,450	100	2.3

Benchmark March 1989

Source: Alaska Department of Labor, Research and Analysis Section

attributable to the cleanup's prime contractor and their subcontractors. A reasonable estimate for this component is 2,500 jobs **on an annual average basis**. This component reached a peak of more than 7,000 jobs at the height of activity, but the cleanup was at, or close to, this level only in June, July and August. September, May and April could be considered "shoulder" months where employment was less than in peak months, and by year-end direct oil-spill employment was reported to be less than 350 people.

The cleanup created more employment than the additional 2,500 jobs with the prime spill contractors and their subcontractors. How much additional employment was created indirectly such as more hotel workers, hardware store employees, air freight handlers and government employees? A generous multiplier for spill activity would be one indirect job created for each direct spill related job. That would place the total effect of the oil spill at around 5,000 jobs on an annual average basis. (That would also mean more than 14,000 during the peak months.)

Using this methodology, the oil spill would have caused an annual growth rate of about 2.5%. The annual growth rate for that portion of the economy not directly attributable to the cleanup would be about 3.9%. This points out that the oil spill was a significant positive economic influence in 1989, but it wasn't the only positive influence.

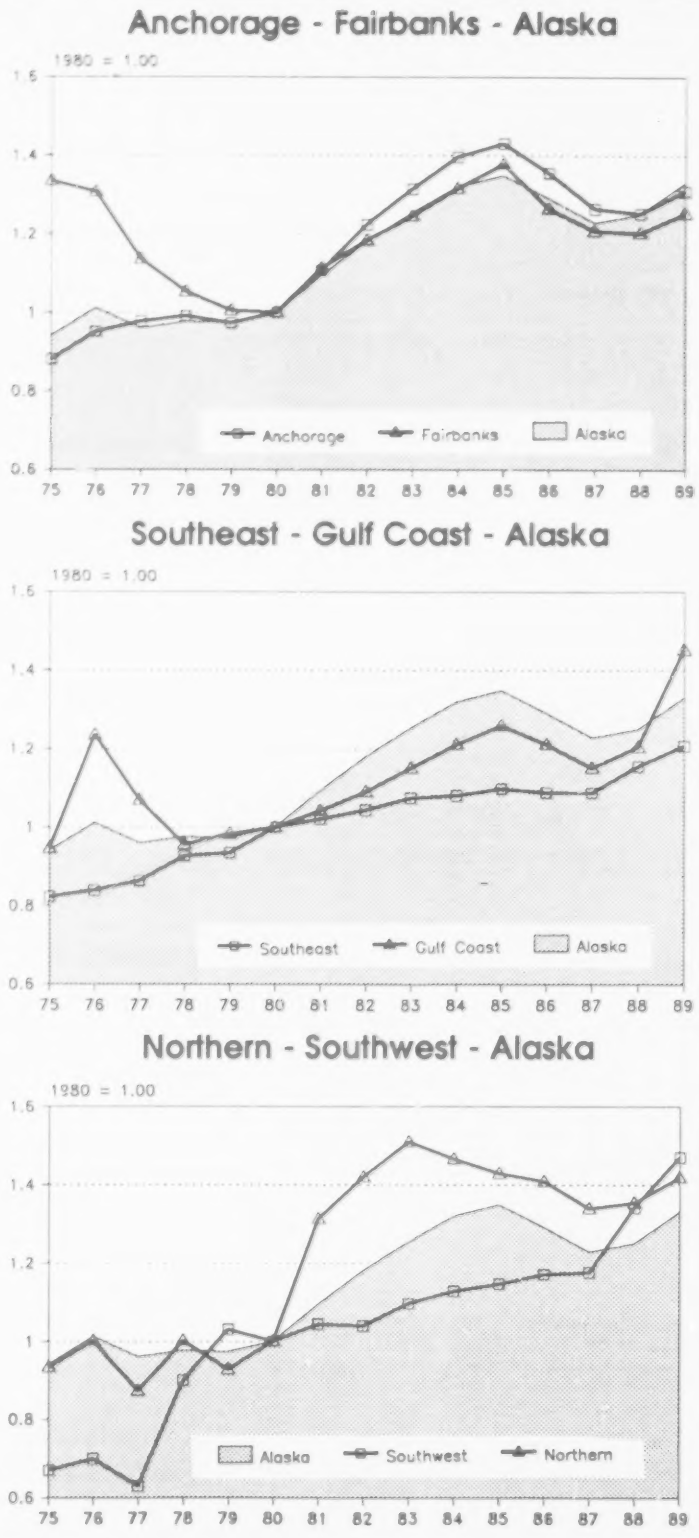
Gulf Coast Employment Was Skewed by Oil Spill in 1989

While oil spill workers had an influence over total statewide employment growth, Gulf Coast's employment numbers were skewed completely out of proportion. Gulf Coast's transportation employment grew 161% in 1989. (See Table 2.) The logistics of cleaning up the spill provided an economic shot in the arm for the entire region- from the Valdez-Cordova area southwest to the Kenai Peninsula and on to Kodiak Island. Jobs in retail trade and services shot up as cleanup staff needed lodging, meals, and merchandise.

Gulf Coast's economy was already growing at a 9% rate during the first

Figure 1

Nonag. Wage and Salary Employment Index 1975-1989



Source: Alaska Department of Labor, Research and Analysis Section

quarter of 1989, before the spill happened. But spill cleanup was the overwhelming reason Gulf Coast's employment grew 20.5% in 1989. Not surprisingly, the growth in Gulf Coast's employment is unmatched by any other year of the 1980s. (See Figure 1.)

Although it overshadowed other activity, the oil spill cleanup was not Gulf Coast's sole source of employment growth in 1989. Work continued on the Bradley Lake hydroelectric dam near Homer; a peak work force of 400 helped Gulf Coast construction grow by 200 jobs in 1989.

Gulf Coast's manufacturing sector matched construction's growth of 200 jobs. Seafood processing jobs make up three-fourths of manufacturing in Gulf Coast. But seafood processing was disrupted by the oil spill. The growth in manufacturing employment in 1989 can be attributed to increased timber activity on the Kenai Peninsula. Logging for export and for processing at the new sawmill in Seward pushed jobs up in 1989 and will continue to boost employment for years to come.

Anchorage Adds 4,550 Jobs to Economy

While the oil spill was the major story in the Gulf Coast region, it can't take all the credit for Anchorage's recovery. Renewed confidence was established in Anchorage's economy in 1989. Not only was 1989 the first time in four years that the economy grew, but it grew a respectable 4.5%. (See Figure 1.) This meant 4,550 more jobs in Anchorage in 1989 than in 1988. The last time Anchorage enjoyed this kind of economic expansion was during the 1983-85 boom, which most remember fondly as good years.

Why can't the oil spill take all of the credit for the turnaround? Because Anchorage's recovery was evident in late 1988, and just prior to the spill employment growth had accelerated to 2.4%. The recovery was a broad one, not concentrated in just a few industries. (See Table 2.) All but one major industry category either posted gains or remained steady at 1988 levels.

Service Industry was Anchorage's Star Performer

Anchorage's largest industry, services, enjoyed the biggest employment gain in 1989 with 2,000 new jobs. (See Table 2.) Included in services are hotels, legal, medical, engineering, personal, auto repair, business services, and private social services. Since Anchorage has a service-based economy, employment in the services industry is a good gauge of Anchorage's economic health.

One boost for services came from population growth. According to the Municipality of Anchorage, the city's population grew nearly 2,900 in 1989. This follows three years of declines in Anchorage's population. A strong 1989 tourism year also helped, particularly in the hotel/lodgings sector. Most hotels reported solid bookings during the entire visitor season and a record number of conventions and meetings bolstered the rest of the year. Although income figures for 1989 are not available for Anchorage, Alaska income figures for the year are registering strong growth. Indications are that Anchorage shared in the income growth. The overall health of the remainder of Anchorage industries is also an ingredient in the success of the service industry.

Federal Express Boosts Anchorage Air Transportation Industry

The big transportation story in Anchorage was the opening of Federal Express' $11 million package-sorting facility, making Anchorage one of the company's principal hubs. Federal Express' expansion meant more than 200 additional jobs in Anchorage in 1989. More importantly, it could mean many more in future years. Air cargo traffic was up a phenomenal 60% in the year ending June 1989, much of which was oil spill related. Water transportation also enjoyed a strong year as a result of oil spill activity.

Oil Industry Employment Shines for Second Year In A Row

Although mining employment's 250 gain represents a modest addition to Anchorage's employment, it is an important indicator of the local economy. Much of this increase is attributed to the industry's growing effort to recover more of the oil in already existing fields. Oil prices, up 36% in 1989 (North Slope Wellhead), have contributed to the growing oil recovery effort.

Anchorage Went On A Shopping Spree

Anchorage's recovery was evident in the retail sector as 1,000 additional jobs were created in the trade industry. Yes, there were more residents to buy things, but they are also spending more money--in many cases on big ticket items such as automobiles. Almost every auto dealer reported very strong sales in 1989, in contrast to the softening lower 48 market. This is just another indicator of confidence in the local economy. Most merchants reported an excellent Christmas season. And Anchorage's retailers probably would have hired additional workers if more had been available.

Construction Figures Are A Bit Misleading

The Anchorage construction picture in 1989 was a repeat of 1988, which was nothing to brag about. Valuation and permit data showed few signs of new life. The market remained awash in commercial and residential space. When more of this excess space is absorbed, the construction industry should begin to come back to life.

Remodel work, road construction and larger jobs on the military bases kept some contractors working. Most of the employment growth attributed to Anchorage was actually work that took place elsewhere in the state by companies headquartered in Anchorage.

Public Sector Was A Mixed Picture

At the local level, government employment did not grow. School district employment climbed slightly, but Municipality employment fell by an almost equal amount. This, however, represented an improvement over 1988

when overall employment at the local level fell 5%. State government employment posted the only growth in the public sector. The growth came both from the University and government operations. Federal government employment declined slightly.

The Financial Industry Continued Dropping — But Improved Over 1988

Banking employment in Anchorage took its last big tumble when Alliance Bank was shut down in April. By the end of the year a number of Anchorage-based banks, including National Bank of Alaska, First National of Anchorage, and Security Pacific Bank were recording healthy profits.

Even the real estate side of this industry began to climb out of the rubble left from the previous four years. The inventory of single-family homes was being absorbed and the condominium market was demonstrating some strong signs of life. Most of this industry's woes are now only a reflection of past economic problems and not what is happening at the present.

It Was A Good Year For Job Seekers

Many employers in Anchorage were actually having a difficult time finding enough help after years of being swamped with applicants. Anchorage newspapers "Help Wanted" ad columns were up 21%. And the city's unemployment rate fell to 5.1%, one of the lowest annual rates ever.

Fairbanks Gained 1,000 Jobs in 1989

In 1989, Fairbanks employment grew at a slower rate than Anchorage, (3.9% growth versus 4.5%) but that still meant an addition of more than 1,000 jobs. (See Table 2.) After three years of decline, job growth in 1989 approached that of the 1984-85 period. (See Figure 1.) Most of the increase was in the services-producing sector; there was a much smaller increase in the goods-producing sector.

In fact, there would have been no increase on the goods-producing side of the economy if not for additional construction jobs in 1989. As expected, construction activity at the military bases did not match that of 1988, but a large new project — repair of the Trans-Alaska Pipeline — accounted for new construction jobs during the summer. Largely on the strength of this project, Fairbanks enjoyed a 10% increase in construction employment for the year.

In absolute numbers, government jobs accounted for the greatest employment gain in Fairbanks. Local government employment posted no change, while increasing state and federal employment pushed this sector's annual average above 1988's level by 6%. Two-thirds of the state employment increase was at the University of Alaska. Support for an enlarging military presence boosted federal employment by 300 in 1989.

In addition to government, nearly all of the service-producing industries in Fairbanks' economy grew in 1989. Employment in the finance-insurance and real estate industry remained the same as 1988, but transportation, trade and services all achieved some job growth.

Southeast — Second Straight Year of Healthy Growth

The service-producing industries were also responsible for Southeast Alaska posting impressive employment gains. The region's employment increase of 4.5% was not as large as the prior year, but most economy watchers did not expect it to be. (See Figure 1.)

In addition to being smaller than 1988's employment gain, the region's 4.5% growth in 1989 was different from the 6% gain of the previous year. (See Table 2.) The earlier gain was predominantly in the manufacturing sector. For 1989, manufacturing employment held even, with slight gains in the timber industry nearly offsetting a downward movement in seafood processing employment. Mining and construction helped push Southeast employment higher, but the largest increases were seen in the service-producing industries.

Service-producing employment makes up nearly 80% of all Southeast employment. These industries seemed to be playing catch-up to prior gains in the goods-producing industries. The gains of 1988, and the influx of new money in the economy, provided room for expansion of the service-producing industries.

In the private sector, Southeast's trade industry showed the largest employment increases. A growth rate of over 7% meant 350 new jobs in the region — 250 in retail trade and an amazing 100 new jobs in wholesale. Services added 200 jobs to the economy, a gain of over 4%. Finance-insurance and real estate and transportation shared in the employment gains, with gains of 50 and 100, respectively.

In 1988, Southeast's public sector lagged behind the private sector in employment gains. In 1989, public sector employment increased 5.1%. State and federal government grew by an equal amount, 6.2% for the year. With increases in local government employment added in, the region saw 600 new jobs in the public sector last year.

Mining Jobs Created Growth in Northern Region

Government and mining jobs account for two-thirds of the Northern region's wage and salary employment. (See Table 2.) Unlike the urban areas of the state, there are few federal and state government jobs in this region. Most public sector jobs are with local governments and school districts.

Workers on the North Slope make up more than 90% of total mining employment in the northern region. The 5.5% increase in northern's mining employment in 1989 was due to increased activity by the oil operators on the North Slope. New gas handling facilities are being built to deal with the increasing amount of gas pumped up with the decreasing amount of oil.

Hard rock mining accounts for a tiny portion of the mining jobs in the Northern region. But the huge Red Dog lead and zinc mine opened late in 1989; with up to 300 new mining jobs at Red

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Dog, hard rock mining employment should double next year. The Red Dog project accounted for additional construction employment during 1989, and indirectly boosted employment in the service-producing sector.

Seafood Processing Jobs Increased 30% in Southwest Region

Southwest's boom can be summed up in three words: bottomfish, bottomfish, bottomfish. The seafood processing industry in Southwest continued to expand in 1989; annual average employment grew almost 1,000 from a 1988 base of 3,150. (See Table 2.) Gulf Coast, Southeast and Anchorage all lost employment in this industry in 1989, but the growth in Southwest's seafood processing industry made up for the decline elsewhere. Two new plants are under construction at Dutch Harbor, along with a new port at St. Paul, to help the region's booming seafood industry.

Southwest Alaska had a good salmon season as well; unlike Gulf Coast, Southwest's harvest wasn't affected by the oil spill. Several military construction projects also contributed to a good year for Southwest Alaska.

Summary: '89 Not Just The Year of The Spill

In 1989 Alaska's economy posted 6.4% employment growth and an unemployment rate that shattered all previous lows. But to the surprise of some, not all of the economic good news was due to the oil spill cleanup effort. An expanding mining industry, a reviving construction industry, a bottomfish boom, a successful timber industry, a new air freight operation, and a retail and service sector boom were all part of the economic landscape during 1989. The oil spill cleanup made a significant contribution to Alaska's economy in 1989, but to brand it as the only tonic that cured an ailing Alaskan economy would be an overstatement.

On the Annual Benchmark Revision

By John Boucher

Employment Data Revised for Last 24 Months

In January of every year, nonagricultural wage and salary employment estimates are revised by a procedure referred to as **benchmarking**. Normally, the estimates are revised for the previous 18 months; however, the 1989 benchmark revised the data for the previous 24 months. The revision of employment estimates for all of 1988 and 1989 was just completed and are published in this issue of *Trends*. (See Tables 1-18).

Monthly Job Estimates Based On Employer Sampling

The monthly employment estimates published in this magazine are based on a sample of employers. Current monthly employment is estimated using this sample of approximately 1,300 firms. The firms voluntarily participate in the Department of Labor's (DOL) Current Employment Statistics (CES) program. The firms' data allow DOL economists to produce reliable and timely estimates on both the direction and the magnitude of movement of nonagricultural wage and salary employment.

Table 1

Nonagricultural Wage and Salary Employment By Place of Work Alaska 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	195,400	199,100	202,600	207,200	212,500	222,300	230,000	229,400	226,900	217,200	211,200	210,400	213,700
Goods-producing	24,400	25,800	28,200	30,000	32,600	38,500	45,600	44,300	39,400	33,900	30,400	28,800	33,500
Mining	8,100	8,600	9,100	9,400	9,500	10,400	10,100	10,300	10,100	10,200	9,600	9,600	9,600
Construction	6,800	6,800	7,000	7,800	8,800	9,900	10,900	11,500	11,400	10,500	8,700	7,400	9,000
Manufacturing	9,500	10,400	12,100	12,800	14,300	18,200	24,600	22,500	17,900	13,200	12,100	11,800	15,000
Durable Goods	1,800	2,200	2,900	3,300	3,600	4,000	4,000	4,200	4,200	4,000	3,800	3,400	3,500
Lumber & Wood Products	1,300	1,700	2,300	2,600	2,800	3,100	3,200	3,400	3,400	3,200	3,100	2,700	2,700
Nondurable Goods	7,700	8,200	9,200	9,500	10,700	14,200	20,600	18,300	13,700	9,200	8,300	8,400	11,500
Seafood Processing	4,300	4,800	5,700	6,100	7,200	10,500	16,900	14,600	10,000	5,600	4,700	4,800	7,900
Pulp Mills	900	800	800	900	900	900	900	900	1,000	900	900	900	900
Service-producing	171,000	173,300	174,400	177,200	179,900	183,800	184,400	185,100	187,500	183,300	180,800	181,600	180,200
Transportation	16,100	16,300	16,500	16,300	17,100	18,300	18,600	18,800	18,500	17,700	17,200	17,200	17,400
Trucking & Warehousing	2,100	2,200	2,300	2,000	2,100	2,300	2,200	2,300	2,300	2,100	2,100	2,200	2,200
Water Transportation	800	800	900	800	1,100	1,100	1,400	1,300	1,200	1,000	1,000	900	1,000
Air Transportation	5,100	5,100	5,100	5,200	5,400	5,800	6,000	6,000	5,700	5,700	5,700	5,700	5,500
Communications	3,300	3,300	3,300	3,200	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300
Trade	38,800	38,500	39,100	40,500	42,300	44,400	45,100	45,200	44,200	41,900	41,800	42,300	42,000
Wholesale Trade	7,000	7,000	7,100	7,200	7,500	7,900	8,200	8,100	7,800	7,500	7,300	7,300	7,500
Retail Trade	31,800	31,500	32,000	33,300	34,800	36,500	36,900	37,100	36,400	34,400	34,500	35,000	34,500
Gen. Merch. & Apparel	4,700	4,500	4,600	4,600	4,700	5,000	5,400	5,400	5,300	5,200	5,400	5,700	5,000
Food Stores	5,800	5,700	5,900	5,900	6,100	6,400	6,400	6,400	6,500	6,300	6,300	6,400	6,200
Eating & Drinking Places	11,400	11,500	11,700	12,500	13,200	13,900	13,800	13,900	13,500	12,200	12,000	11,900	12,600
Finance-Ins. & Real Estate	10,800	10,800	10,800	10,600	10,600	10,700	10,700	10,700	10,600	10,700	10,500	10,600	10,700
Services & Misc.	40,400	41,000	41,200	42,200	43,200	45,100	46,700	46,700	45,900	44,200	43,300	43,400	43,600
Hotels & Lodging Places	3,900	3,700	3,900	4,100	4,600	5,700	6,600	6,200	5,600	4,500	4,200	4,000	4,800
Government	64,900	66,700	66,800	67,600	66,700	65,300	63,300	63,700	68,300	68,800	68,000	68,100	66,500
Federal	17,700	17,700	17,500	17,600	17,800	18,300	18,400	18,300	18,100	17,900	17,500	17,800	17,900
State	18,000	19,200	19,500	19,900	18,700	18,800	18,500	18,600	20,500	20,600	20,400	20,000	19,400
Local	29,200	29,800	29,800	30,100	30,200	28,200	26,400	26,800	29,700	30,300	30,100	30,300	29,200

Annual averages may not add due to rounding.

Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989.

Source: Alaska Department of Labor, Research and Analysis Section

Employment Estimates Incorporate Latest UI Tax Data

The most comprehensive count of nonagricultural wage and salary employment is based on Unemployment Insurance (UI) tax reports, (commonly referred to as the Quarterly Report of Employment and Wages, or the ES-202 report.) However, ES-202 data are not incorporated into the current employment estimates because there is a six-to-nine month lag in collection and publication of this information. The January 1990 benchmark process, though, incorporates the most recent ES-202 data available.

During the benchmark, revised estimates were calculated through December 1989. These estimates incorporate ES-202 data through June 1989. The remaining six months of 1989 were reestimated using an augmented CES sample. The new sample incorporates additional employer information not available at the time the original estimate was generated.

1989 Benchmark Incorporates 1987 SIC Code Revision

In January of 1988, the U.S. Department of Labor, Bureau of Labor Statistics, instituted a revised Standard Industrial Classification (SIC) coding scheme. The SIC coding process assigns every business establishment a code based on their primary business activity. This code identifies the industry into which an employer's employment and wages are assigned. The estimates released in this publication are the first compilation of industry employment estimates produced using employer data based on the 1987 SIC revision.

Code Change Did Not Force Series Breaks

Fortunately, the 1987 SIC code revision had little or no effect on the published estimates. The vast majority of SIC code changes occurred within the boundaries of published industries rather than across published industry boundaries. In the assessment of the Alaska Department of Labor and the U.S. Bureau of Labor Statistics, **no series breaks occurred in the employment data series.** Therefore, for every published data series, employment data prior to 1988 may be used with employment data after 1988 with no change in definition for the series.

Table 2

Nonagricultural Wage and Salary Employment
By Place of Work
Alaska 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	202,200	207,100	211,300	218,900	229,300	241,500	249,000	249,100	243,700	230,900	223,600	221,200	227,300
Goods-producing	26,500	28,200	30,300	32,800	36,300	41,700	48,300	46,800	41,800	36,200	32,400	29,600	35,900
Mining	9,200	9,500	9,700	9,700	9,900	10,400	10,500	10,600	10,600	10,600	10,400	9,900	10,100
Construction	6,600	6,600	7,100	8,300	10,000	11,600	12,500	12,700	12,900	11,800	9,500	8,100	9,800
Manufacturing	10,700	12,100	13,500	14,800	16,400	19,700	25,300	23,500	18,300	13,800	12,500	11,600	16,000
Durable Goods	2,100	2,400	3,100	3,500	4,200	4,500	4,500	4,600	4,500	4,200	4,000	3,000	3,700
Lumber & Wood Products	1,500	1,800	2,400	2,700	3,300	3,600	3,600	3,600	3,600	3,400	3,200	2,300	2,900
Nondurable Goods	8,600	9,700	10,400	11,300	12,200	15,200	20,800	18,900	13,800	9,600	8,500	8,600	12,300
Seafood Processing	5,100	6,100	6,800	7,700	8,500	11,300	17,000	15,100	10,100	5,900	4,900	4,900	8,600
Pulp Mills	900	900	900	900	1,000	1,000	1,000	1,000	900	900	900	900	900
Service-producing	175,700	178,900	181,000	186,100	193,000	199,800	200,700	202,300	201,900	194,700	191,200	191,600	191,400
Transportation	16,300	16,400	16,700	19,000	22,200	24,900	26,000	26,400	23,300	19,800	18,900	18,600	20,700
Trucking & Warehousing	2,000	2,000	2,000	2,200	2,400	2,600	2,600	2,600	2,500	2,400	2,300	2,300	2,300
Water Transportation	800	1,000	1,000	1,100	1,400	1,700	1,700	1,900	1,800	1,400	1,200	1,200	1,400
Air Transportation	5,400	5,300	5,500	5,600	6,000	6,500	6,700	6,800	6,500	6,300	6,300	6,300	6,100
Communications	3,100	3,100	3,100	3,200	3,200	3,200	3,300	3,200	3,200	3,200	3,200	3,200	3,200
Trade	40,200	40,200	41,100	42,200	44,500	46,900	47,500	47,300	46,600	45,100	44,400	44,900	44,200
Wholesale Trade	7,200	7,200	7,300	7,600	8,000	8,400	8,700	8,600	8,300	8,100	7,900	7,900	7,900
Retail Trade	33,000	33,000	33,800	34,600	36,500	38,500	38,800	38,700	38,300	37,000	36,500	37,000	36,300
Gen. Merch. & Apparel	4,900	4,800	4,900	5,000	5,300	5,400	5,600	5,600	5,600	5,700	6,100	6,300	5,400
Food Stores	6,000	5,900	6,200	6,300	6,400	6,700	6,600	6,700	6,700	6,700	6,600	6,600	6,500
Eating & Drinking Places	11,600	11,800	12,000	12,400	13,200	14,300	14,300	14,300	14,200	13,100	12,300	12,300	13,000
Finance-Ins. & Real Estate	10,400	10,400	10,300	10,300	10,300	10,600	10,600	10,600	10,600	10,500	10,600	10,500	10,500
Services & Misc.	42,700	43,500	43,800	45,000	47,100	49,800	50,600	50,900	49,800	47,800	46,800	46,900	47,100
Hotels & Lodging Places	3,900	4,000	4,200	4,400	4,900	6,200	6,500	6,500	5,900	5,000	4,500	4,500	5,000
Government	66,100	68,400	69,100	69,600	68,900	67,600	66,000	67,100	71,600	71,500	70,500	70,700	68,900
Federal	17,500	17,500	17,700	17,700	18,100	18,800	19,000	19,000	18,900	18,700	18,600	19,000	18,400
State	19,000	20,700	20,800	21,100	19,900	20,100	20,300	20,300	22,100	21,900	21,400	21,200	20,700
Local	29,600	30,200	30,600	30,800	30,900	28,700	26,700	27,800	30,600	30,900	30,500	30,500	29,800

Annual averages may not add due to rounding.

Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989.

Source: Alaska Department of Labor, Research and Analysis Section

Six New Series Produced

The 1989 benchmark brings several changes in the reported data. Beginning with these numbers, six new categories of industry employment are reported. They are:

Goods- producing Industries
Service-producing Industries
Durable Goods Manufacturing
Nondurable Goods Manufacturing
Lumber & Wood Products
Pulp Mills

The addition of four of the new published series makes Alaska's published estimates conform to national standards set by the U.S. Department of Labor. These four series are the "Goods-producing," "Service-producing," "Durable Goods," and "Nondurable Goods" employment series. "Goods-producing" employment is simply an aggregation of employment in Mining, Construction, and Manufacturing while "Service-producing" is an aggregation of the five remaining major industries. Prior to the 1989 benchmark, Alaska was the only state in the nation which did not produce an estimate for durable and nondurable manufacturing employment. This discrepancy has been corrected with the release of the 1989 benchmark data.

Two other new series, "Lumber and Wood Products" and "Pulp Mills" are a result of publishing durable and nondurable manufacturing employment. Previously, all timber industry activity was combined into an industry estimate called "Lumber and Paper Products," an unacceptable combination of durable and nondurable manufacturing employment according to national standards. Rather than doing away with estimates for the timber industry, the durable and nondurable portions of the industry were put into separate published time series. The result is two new series: "Lumber and Wood Products" combines primarily logging and sawmill activity and "Pulp Mills" is the employment for Alaska's two pulp mills. 1/

Residual and Lumber and Paper Series Dropped

For a variety of reasons, four series will no longer be published with the estimates appearing in *Alaska Economic Trends*. They are:

Lumber and Paper Products
All Other Manufacturing
All Other Transportation
All Other Retail Trade

(continued on page 10)

Nonagricultural Wage and Salary Employment By Place of Work 1988 & 1989

Southeast Region 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	26,050	27,000	28,700	30,000	31,050	32,500	34,150	34,850	34,200	31,500	30,400	29,900	30,850
Goods-producing	3,800	4,250	5,550	6,150	6,450	7,100	8,350	8,800	8,050	6,600	6,100	5,400	6,400
Mining	150	150	200	150	200	200	200	200	200	150	200	200	200
Construction	700	750	950	1,000	1,100	1,100	1,300	1,300	1,300	1,250	1,100	900	1,050
Manufacturing	2,950	3,350	4,400	5,000	5,150	5,800	6,850	7,300	6,550	5,200	4,800	4,300	5,150
Durable Goods	1,250	1,700	2,300	2,650	2,850	3,100	3,050	3,250	3,250	3,050	3,000	2,600	2,650
Lumber & Wood Products	1,200	1,600	2,200	2,550	2,700	3,000	2,950	3,100	3,100	2,950	2,850	2,450	2,550
Nondurable Goods	1,700	1,650	2,100	2,350	2,300	2,700	3,800	4,050	3,300	2,150	1,800	1,700	2,450
Seafood Processing	700	650	1,100	1,300	1,250	1,600	2,700	2,900	2,200	1,100	750	650	1,400
Pulp Mills	850	850	850	900	900	900	950	950	900	900	900	900	900
Service-producing	22,250	22,750	23,150	23,850	24,600	25,400	25,800	26,050	26,150	24,900	24,300	24,500	24,500
Transportation	1,850	1,900	2,000	2,050	2,250	2,600	2,650	2,600	2,550	2,250	2,100	2,150	2,250
Trade	4,200	4,200	4,300	4,550	4,900	5,100	5,450	5,600	5,350	4,900	4,750	4,900	4,850
Wholesale Trade	400	400	400	450	450	456	500	550	500	550	500	500	450
Retail Trade	3,800	3,800	3,900	4,100	4,450	4,650	4,950	5,050	4,850	4,350	4,250	4,400	4,400
Finance-Ins. & Real Estate	1,000	1,050	1,050	1,050	1,000	1,050	1,000	1,000	1,000	1,000	1,000	1,050	1,000
Services & Misc.	4,300	4,400	4,500	4,650	4,900	5,250	5,450	5,550	5,450	5,050	4,850	4,850	4,950
Government	10,900	11,200	11,300	11,550	11,550	11,400	11,250	11,300	11,800	11,700	11,600	11,550	11,450
Federal	1,900	1,850	1,850	1,900	2,000	2,100	2,050	2,050	2,000	1,950	1,900	2,000	1,950
State	4,850	5,050	5,100	5,200	5,100	5,100	5,100	5,100	5,350	5,250	5,250	5,100	5,150
Local	4,150	4,300	4,350	4,450	4,450	4,200	4,100	4,150	4,450	4,500	4,450	4,450	4,350

Southeast Region 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	27,650	28,500	29,500	31,300	32,600	34,350	35,500	36,400	35,650	33,050	31,700	30,450	32,200
Goods-producing	4,000	4,300	5,100	6,350	6,750	7,600	8,550	9,050	8,150	6,900	6,100	5,150	6,500
Mining	250	250	250	250	300	300	300	300	300	300	300	300	300
Construction	700	700	850	1,050	1,100	1,200	1,350	1,450	1,400	1,300	1,050	950	1,100
Manufacturing	3,050	3,350	4,000	5,050	5,350	6,100	6,900	7,300	6,450	5,300	4,750	3,900	5,150
Durable Goods	1,400	1,700	2,350	2,600	3,050	3,250	3,250	3,350	3,300	3,200	2,950	2,150	2,700
Lumber & Wood Products	1,250	1,550	2,200	2,400	2,900	3,100	3,100	3,200	3,150	3,050	2,800	2,000	2,550
Nondurable Goods	1,650	1,650	1,650	2,450	2,300	2,850	3,650	3,950	3,150	2,100	1,800	1,750	2,400
Seafood Processing	600	550	600	1,350	1,150	1,650	2,500	2,800	2,050	1,050	700	650	1,300
Pulp Mills	900	900	900	900	950	1,000	1,000	950	900	900	900	950	950
Service-producing	23,650	24,200	24,400	24,950	25,850	26,750	26,950	27,350	27,500	26,150	25,600	25,300	25,700
Transportation	1,900	2,000	2,050	2,050	2,350	2,750	2,750	2,800	2,700	2,400	2,200	2,200	2,350
Trade	4,600	4,650	4,700	4,850	5,200	5,650	5,800	5,800	5,650	5,200	5,100	5,050	5,200
Wholesale Trade	450	450	450	500	600	600	650	650	650	600	600	600	550
Retail Trade	4,150	4,200	4,250	4,350	4,600	5,050	5,150	5,150	5,000	4,600	4,500	4,450	4,600
Finance-Ins. & Real Estate	950	1,000	1,000	1,050	1,100	1,050	1,100	1,100	1,100	1,100	1,100	1,050	1,050
Services & Misc.	4,600	4,700	4,750	4,900	5,150	5,450	5,600	5,700	5,600	5,150	5,100	5,000	5,150
Government	11,600	11,850	11,900	12,100	12,050	11,850	11,700	11,950	12,450	12,300	12,100	12,000	12,000
Federal	1,850	1,850	1,900	1,950	2,050	2,200	2,250	2,250	2,250	2,150	2,050	2,100	2,050
State	5,300	5,450	5,450	5,500	5,400	5,450	5,350	5,450	5,650	5,550	5,450	5,350	5,450
Local	4,450	4,550	4,550	4,650	4,600	4,200	4,100	4,250	4,550	4,600	4,600	4,550	4,450

Annual averages may not add due to rounding.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989

Source: Alaska Department of Labor, Research and Analysis Section

Tables 5 & 6

Nonagricultural Wage and Salary Employment By Place of Work 1988 & 1989

Anchorage-MatSu Region 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	101,950	102,950	103,850	104,400	106,150	108,450	109,700	110,000	110,150	108,700	106,850	107,100	106,700
Goods-producing	8,750	8,750	8,900	9,200	9,950	11,000	12,100	12,400	11,500	11,200	9,650	9,150	10,200
Mining	3,100	3,200	3,300	3,250	3,300	3,400	3,450	3,550	3,550	4,050	3,500	3,500	3,450
Construction	3,800	3,700	3,700	4,000	4,500	4,950	5,500	5,800	5,550	5,150	4,200	3,750	4,550
Manufacturing	1,850	1,850	1,900	1,950	2,150	2,650	3,150	3,050	2,400	2,000	1,950	1,900	2,250
Service-producing	93,200	94,200	94,950	95,200	96,200	97,450	97,600	97,600	98,650	97,500	97,200	97,950	96,500
Transportation	9,500	9,550	9,800	9,450	9,800	10,050	10,300	10,250	10,200	10,000	9,950	10,000	9,900
Trade	24,300	24,100	24,450	24,900	25,550	26,350	26,550	26,700	26,600	25,800	26,150	26,450	25,650
Finance-Ins. & Real Estate	7,600	7,700	7,750	7,500	7,500	7,500	7,450	7,450	7,350	7,400	7,300	7,400	7,500
Services & Misc.	24,150	24,600	24,750	25,100	25,550	26,200	26,550	26,400	26,400	26,000	25,700	25,800	25,600
Government	27,650	28,250	28,200	28,250	27,800	27,350	26,750	26,800	28,100	28,300	28,100	28,300	27,800
Federal	10,550	10,450	10,350	10,300	10,300	10,450	10,500	10,450	10,350	10,250	10,150	10,300	10,350
State	7,050	7,650	7,750	7,850	7,250	7,500	7,150	7,200	8,100	8,100	8,050	8,000	7,650
Local	10,050	10,150	10,100	10,100	10,250	9,400	9,100	9,150	9,650	9,950	9,900	10,000	9,800

Anchorage-MatSu Region 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	104,200	105,650	106,650	108,100	110,950	114,200	115,350	116,400	117,150	115,350	112,550	112,450	111,600
Goods-producing	8,900	9,100	9,350	10,050	11,050	11,950	13,050	13,300	12,650	11,800	10,150	9,500	10,900
Mining	3,600	3,700	3,750	3,750	3,650	3,600	3,650	3,750	3,700	3,650	3,500	3,500	3,650
Construction	3,450	3,550	3,700	4,300	5,200	5,800	6,450	6,650	6,500	6,050	4,650	4,000	5,050
Manufacturing	1,850	1,850	1,900	2,000	2,200	2,550	2,950	2,900	2,450	2,100	2,000	2,000	2,250
Service-producing	95,300	96,550	97,300	98,050	99,900	102,250	102,300	103,100	104,500	103,550	102,400	102,950	100,700
Transportation	9,350	9,450	9,550	9,950	10,550	11,200	11,450	11,550	11,600	11,250	10,800	10,950	10,650
Trade	25,400	25,300	25,750	25,950	26,800	27,600	27,700	27,900	27,850	27,800	27,500	27,750	26,950
Finance-Ins. & Real Estate	7,300	7,350	7,250	7,200	7,000	7,150	7,200	7,300	7,300	7,200	7,250	7,250	7,250
Services & Misc.	25,600	26,150	26,250	26,500	27,700	28,850	28,850	29,100	28,850	28,400	27,950	27,950	27,700
Government	27,650	28,300	28,500	28,450	27,850	27,450	27,100	27,250	28,900	28,900	28,900	29,050	28,200
Federal	10,250	10,200	10,250	10,050	10,100	10,350	10,250	10,300	10,150	10,350	10,300	10,450	10,250
State	7,450	8,150	8,200	8,350	7,650	7,650	7,600	7,550	8,600	8,600	8,600	8,550	8,100
Local	9,950	9,950	10,050	10,050	10,100	9,450	9,250	9,400	10,150	9,950	10,000	10,050	9,850

Annual averages may not add due to rounding.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989

Source: Alaska Department of Labor, Research and Analysis Section

The introduction of two new series for the timber industry made the old "Lumber and Paper Products" series obsolete. For those who want to continue to keep the old data series intact, adding the two new series together will result in a reasonable total for the discontinued series.

In addition to "Lumber and Paper Products," three other series were dropped from further publication. The three series which represented residual totals- "All Other Manufacturing," "All Other Transportation," and "All Other Retail" were dropped for two reasons. First, in and of themselves, they are not meaningful time series. The addition of new industry categories often redefines these residual series and often results in series breaks. This renders any time series analysis useless. Second, it is still possible to arrive at these figures. "All Other Transportation," for example, can be arrived at by subtracting the four subtotals in the transportation industry from the transportation grand total. So while these series may have disappeared from the published tables, some simple math makes them available to the user.

Estimates Understated Growth

The original estimates tracked the benchmarked employment numbers fairly accurately as to the trend employment was taking during the last half of 1988 and 1989, but the estimates underestimated the magnitude of Alaska's recovery. (See Figure 1.)

On an annual average basis, employment increased 6.4% from 1988 to 1989. The original estimates pegged the annual employment growth gain at 4.5%. The majority of the underestimation occurred in three industries: Transportation, Trade, and

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Nonagricultural Wage and Salary Employment By Place of Work 1988 & 1989

Anchorage Borough 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	96,000	96,850	97,650	98,000	99,500	101,850	103,200	103,450	103,300	102,050	100,300	100,500	100,200
Goods-producing	8,500	8,450	8,500	8,850	9,550	10,550	11,650	11,900	11,050	10,750	9,250	8,700	9,800
Mining	3,000	3,100	3,200	3,150	3,200	3,300	3,350	3,450	3,450	3,900	3,400	3,350	3,300
Construction	3,700	3,550	3,550	3,850	4,300	4,750	5,300	5,550	5,300	4,950	4,000	3,550	4,350
Manufacturing	1,800	1,800	1,750	1,850	2,050	2,500	3,000	2,900	2,300	1,900	1,850	1,800	2,150
Service-producing	87,500	88,400	89,150	89,150	89,950	91,300	91,550	91,550	92,250	91,300	91,050	91,800	90,400
Transportation	8,850	8,900	9,150	8,800	9,150	9,500	9,750	9,700	9,500	9,300	9,250	9,350	9,250
Trucking & Warehousing	1,350	1,450	1,550	1,200	1,250	1,300	1,300	1,350	1,350	1,250	1,250	1,350	1,350
Water Transportation	250	250	300	250	350	250	350	300	300	250	300	250	300
Air Transportation	3,150	3,150	3,200	3,250	3,350	3,550	3,850	3,600	3,400	3,500	3,500	3,600	3,400
Communications	1,800	1,800	1,800	1,800	1,800	1,800	1,850	1,850	1,850	1,800	1,800	1,800	1,800
Trade	22,950	22,750	23,100	23,400	23,950	24,750	24,850	25,050	25,000	24,300	24,650	24,900	24,150
Wholesale Trade	5,400	5,350	5,400	5,450	5,600	5,750	5,800	5,800	5,800	5,600	5,600	5,550	5,600
Retail Trade	17,550	17,400	17,700	17,950	18,350	19,000	19,050	19,250	19,200	18,700	19,050	19,350	18,550
Gen. Merch. & Apparel	2,400	2,300	2,300	2,300	2,350	2,500	2,750	2,750	2,800	2,650	2,900	3,000	2,600
Food Stores	2,800	2,750	2,900	2,750	2,750	3,000	2,850	2,900	3,050	2,950	2,950	3,100	2,900
Eating & Drinking Places	7,050	7,100	7,200	7,400	7,550	7,700	7,750	7,800	7,650	7,450	7,400	7,400	7,450
Finance-Ins. & Real Estate	7,200	7,300	7,350	7,100	7,050	7,100	7,050	7,000	6,950	7,000	6,900	7,000	7,100
Services & Misc.	23,150	23,550	23,700	24,050	24,400	24,950	25,250	25,100	25,050	24,800	24,550	24,650	24,450
Hotels & Lodging Places	2,150	2,100	2,150	2,150	2,100	2,400	2,800	2,500	2,350	2,100	2,100	2,150	2,250
Government	25,350	25,900	25,850	25,800	25,400	25,000	24,650	24,700	25,750	25,900	25,[illegible]00	25,900	25,500
Federal	10,450	10,350	10,250	10,200	10,200	10,350	10,400	10,350	10,200	10,150	10,050	10,150	10,250
State	6,300	6,900	6,950	7,050	6,500	6,750	6,400	6,450	7,250	7,300	7,250	7,200	6,850
Local	8,600	8,650	8,650	8,550	8,700	7,900	7,850	7,900	8,300	8,450	8,400	8,550	8,400

Anchorage Borough 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	97,900	99,300	100,300	101,500	104,200	107,150	108,150	109,200	109,800	108,200	105,900	105,650	104,750
Goods-producing	8,550	8,750	9,050	9,650	10,600	11,450	12,400	12,650	12,100	11,350	9,800	9,200	10,450
Mining	3,500	3,550	3,650	3,600	3,500	3,450	3,450	3,550	3,550	3,550	3,500	3,500	3,550
Construction	3,300	3,400	3,550	4,100	5,000	5,550	6,200	6,350	6,250	5,800	4,400	[illegible],800	4,800
Manufacturing	1,750	1,800	1,850	1,950	2,100	2,450	2,750	2,750	2,300	2,000	1,900	1,900	2,150
Service-producing	89,350	90,550	91,250	91,850	93,600	95,700	95,750	96,550	97,700	96,850	96,100	96,450	94,300
Transportation	8,700	8,800	8,950	9,300	9,900	10,650	10,900	11,000	10,850	10,450	10,150	10,250	10,000
Trucking & Warehousing	1,150	1,200	1,250	1,350	1,400	1,550	1,500	1,500	1,500	1,400	1,400	1,400	1,400
Water Transportation	150	200	200	250	350	350	350	400	400	300	300	350	300
Air Transportation	3,300	3,300	3,400	3,450	3,650	3,950	4,150	4,200	4,050	3,950	3,900	3,900	3,750
Communications	1,750	1,750	1,750	1,800	1,800	1,800	1,850	1,850	1,850	1,850	1,800	1,850	1,800
Trade	23,950	23,850	24,300	24,450	25,250	25,950	25,750	25,950	26,100	26,050	25,900	26,000	25,300
Wholesale Trade	5,500	5,500	5,600	5,750	5,950	6,100	6,150	6,150	6,100	6,050	6,000	5,950	5,900
Retail Trade	18,450	18,350	18,700	18,700	19,300	19,850	19,600	19,800	20,000	20,000	19,900	20,050	19,400
Gen. Merch. & Apparel	2,550	2,450	2,500	2,500	2,700	2,650	2,750	2,750	2,800	2,900	2,950	3,000	2,700
Food Stores	2,950	2,900	3,000	2,950	2,950	3,050	3,000	3,100	3,100	3,150	3,150	3,250	3,050
Eating & Drinking Places	7,250	7,300	7,450	7,400	7,550	7,900	7,900	8,000	8,050	7,850	7,650	7,450	7,650
Finance-Ins. & Real Estate	6,900	6,950	6,850	6,800	6,550	6,700	6,750	6,850	6,850	6,800	6,800	6,800	6,800
Services & Misc.	24,500	25,000	25,100	25,350	26,400	27,450	27,450	27,700	27,500	27,100	26,800	26,800	26,450
Hotels & Lodging Places	2,100	2,150	2,200	2,150	2,100	2,400	2,550	2,550	2,450	2,350	2,350	2,400	2,300
Government	25,300	25,950	26,050	25,950	25,500	24,950	24,900	25,050	26,400	26,450	26,450	26,600	25,800
Federal	10,150	10,100	10,100	9,900	10,000	10,250	10,150	10,150	10,050	10,250	10,200	10,350	10,150
State	6,650	7,350	7,400	7,500	6,900	6,850	6,750	6,750	7,700	7,750	7,800	7,750	7,250
Local	8,500	8,500	8,550	8,550	8,600	7,850	8,000	8,150	8,650	8,450	8,450	8,500	8,400

Annual averages may not add due to rounding.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989

Source: Alaska Department of Labor, Research and Analysis Section

Tables 9 & 10

Nonagricultural Wage and Salary Employment By Place of Work 1988 & 1989

Gulf Coast Region 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	16,750	17,000	17,450	17,950	19,500	21,850	24,750	24,250	22,700	19,850	19,100	18,950	20,000
Goods-producing	3,550	3,700	4,000	4,050	4,800	6,300	9,400	8,800	7,200	5,050	4,600	4,400	5,500
Mining	750	800	800	800	850	850	950	900	850	800	850	900	850
Construction	600	600	650	700	800	950	1,050	1,150	1,250	1,150	1,050	900	900
Manufacturing	2,200	2,300	2,550	2,550	3,150	4,550	7,400	6,750	5,100	3,100	2,700	2,600	3,750
Seafood Processing	1,600	1,700	1,900	1,950	2,550	3,850	6,700	5,950	4,300	2,300	1,850	1,800	3,050
Service-producing	13,200	13,300	13,450	13,900	14,700	15,550	15,350	15,450	15,500	14,800	14,500	14,550	14,500
Transportation	1,300	1,300	1,300	1,300	1,350	1,550	1,550	1,550	1,500	1,450	1,450	1,350	1,400
Trade	3,150	3,150	3,150	3,350	3,750	4,050	4,100	4,000	3,650	3,250	3,200	3,250	3,500
Wholesale Trade	450	450	450	450	550	650	750	650	550	450	450	450	550
Retail Trade	2,700	2,700	2,700	2,900	3,200	3,400	3,350	3,350	3,100	2,800	2,750	2,800	3,000
Finance-Ins. & Real Estate	550	500	550	550	550	550	550	550	550	550	550	550	550
Services & Misc.	3,000	3,000	3,000	3,150	3,450	3,850	4,000	4,050	3,950	3,650	3,500	3,500	3,500
Government	5,200	5,350	5,450	5,550	5,600	5,550	5,150	5,300	5,850	5,900	5,800	5,900	5,550
Federal	500	500	500	500	550	600	600	600	550	550	500	550	550
State	1,400	1,500	1,550	1,600	1,550	1,600	1,600	1,650	1,850	1,850	1,800	1,750	1,650
Local	3,300	3,350	3,400	3,450	3,500	3,350	2,950	3,050	3,450	3,500	3,500	3,600	3,350

Gulf Coast Region 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	18,100	18,500	19,200	22,450	25,950	29,700	32,700	31,850	27,350	22,350	20,800	20,300	24,100
Goods-producing	3,850	4,100	4,500	4,950	5,800	7,200	9,950	9,000	7,050	5,250	4,600	4,350	5,900
Mining	750	750	750	800	800	850	850	900	900	900	900	900	850
Construction	900	750	850	950	1,150	1,350	1,400	1,300	1,300	1,200	1,050	900	1,100
Manufacturing	2,200	2,600	2,900	3,200	3,850	5,000	7,700	6,800	4,850	3,150	2,650	2,550	3,950
Seafood Processing	1,400	1,800	2,050	2,350	2,900	3,950	6,650	5,700	3,800	2,100	1,650	1,500	3,000
Service-producing	14,250	14,400	14,700	17,500	20,150	22,500	22,750	22,850	20,300	17,100	16,200	15,950	18,200
Transportation	1,500	1,500	1,550	3,300	5,300	6,600	7,000	7,200	4,450	2,150	1,700	1,500	3,650
Trade	3,050	3,000	3,200	3,650	4,050	4,350	4,450	4,400	4,050	3,700	3,450	3,500	3,750
Wholesale Trade	450	400	450	500	550	650	700	650	550	500	400	450	500
Retail Trade	2,600	2,600	2,750	3,150	3,500	3,700	3,750	3,750	3,500	3,200	3,050	3,050	3,200
Finance-Ins. & Real Estate	500	500	500	550	550	600	600	600	600	550	550	550	550
Services & Misc.	3,550	3,600	3,650	4,000	4,300	4,850	4,950	4,950	4,850	4,200	4,150	4,100	4,250
Government	5,650	5,800	5,800	6,000	5,950	6,100	5,750	5,700	6,350	6,500	6,350	6,300	6,000
Federal	500	500	500	500	500	600	600	600	600	600	550	550	550
State	1,650	1,750	1,750	1,850	1,750	1,900	2,000	1,950	2,200	2,100	2,000	1,950	1,900
Local	3,500	3,550	3,550	3,650	3,700	3,600	3,150	3,150	3,550	3,800	3,800	3,800	3,550

Annual averages may not add due to rounding.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989

Source: Alaska Department of Labor, Research and Analysis Section

Services. (For additional analysis of 1989 see article beginning on page 1.)

Hours and Earnings Statistics Also Revised

Employers also provide the data used to estimate hours and earnings statistics. During the benchmark, these estimates are adjusted to reflect the revised level of employment. When the employment data are benchmarked, the hours and earnings data are reviewed to see if employment level changes might have further changed the hours and earnings estimates. (See Table 19.) Usually, the hours and earnings data have changed either due to the benchmarking of employment or new firms being added to augment existing hours and earnings sample. (It is worthy to note that the quarterly ES-202 data don't lend themselves to be used as estimates of average weekly hours and earnings data, therefore

Tables 11 & 12

Nonagricultural Wage and Salary Employment By Place of Work 1988 & 1989

Southwest Region 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	11,600	12,450	12,650	13,200	13,600	14,750	16,800	15,200	14,300	13,300	12,850	12,850	13,650
Goods-producing	2,150	2,650	2,950	3,150	3,650	5,050	7,050	5,400	3,750	2,800	2,550	2,600	3,650
Seafood Processing	1,900	2,350	2,600	2,700	3,100	4,400	6,400	4,750	3,100	2,200	2,050	2,250	3,150
Service-producing	9,450	9,800	9,700	10,050	9,950	9,700	9,750	9,800	10,550	10,500	10,300	10,250	10,000
Government	5,650	6,000	6,000	6,150	6,000	5,550	5,200	5,300	6,200	6,300	6,250	6,250	5,900
Federal	1,200	1,300	1,250	1,250	1,250	1,300	1,300	1,300	1,400	1,400	1,400	1,450	1,300
State	400	450	450	500	450	450	500	500	500	500	500	500	500
Local	4,050	4,250	4,300	4,400	4,300	3,800	3,400	3,500	4,300	4,400	4,350	4,300	4,100

Southwest Region 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	12,950	14,050	14,650	14,600	15,350	16,300	17,800	16,700	15,350	14,250	13,650	13,450	14,950
Goods-producing	3,200	4,000	4,300	4,250	4,650	5,800	7,600	6,300	4,500	3,300	3,050	2,950	4,500
Seafood Processing	3,000	3,750	4,150	3,950	4,250	5,300	7,050	5,750	3,900	2,800	2,550	2,600	4,100
Service-producing	9,750	10,050	10,350	10,350	10,700	10,500	10,200	10,400	10,850	10,950	10,600	10,500	10,450
Government	5,900	6,250	6,400	6,350	6,300	5,900	5,300	5,500	6,200	6,550	6,350	6,300	6,100
Federal	1,300	1,300	1,350	1,350	1,300	1,350	1,350	1,350	1,350	1,400	1,400	1,400	1,350
State	450	550	550	550	550	550	550	550	550	550	550	550	550
Local	4,150	4,400	4,500	4,450	4,450	4,000	3,400	3,600	4,300	4,600	4,400	4,350	4,200

Annual averages may not add due to rounding.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989

Source: Alaska Department of Labor, Research and Analysis Section

hours and earnings data are entirely sample-based.)

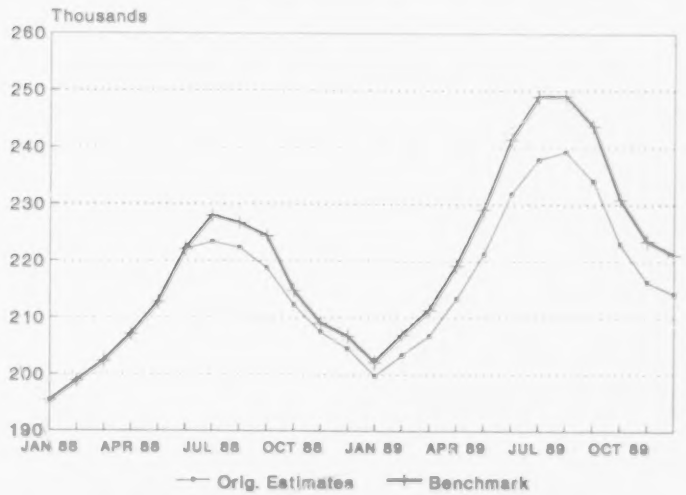
Lumber & Paper Hours and Earnings Series Dropped

Previously, hours and earnings data were published for "Lumber and Paper Products." However, just as for employment, durable and nondurable cells cannot be mixed, so this hours and earnings series had to be discontinued. Unfortunately, the same solution which was applied to the employment estimates (splitting into two new time series) was not possible on the hours and earnings side. There were various factors involved in this decision, including unreliable sample and confidentiality considerations.

(continued on page 15)

Figure 1

Original Estimates vs. Benchmark Estimates January 1988 to December 1989



Source: Alaska Department of Labor, Research and Analysis Section

Nonagricultural Wage and Salary Employment By Place of Work 1988 & 1989

Fairbanks North Star Borough 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	23,650	23,600	23,950	24,950	25,600	26,500	26,850	27,300	27,550	26,050	25,150	25,000	25,500
Goods-producing	1,650	1,700	1,750	1,950	2,250	2,600	2,750	2,900	2,850	2,450	2,050	1,850	2,250
Mining	100	100	150	150	150	200	250	250	250	200	150	150	200
Construction	1,100	1,100	1,100	1,250	1,500	1,750	1,850	1,950	1,900	1,650	1,350	1,150	1,450
Manufacturing	450	500	500	550	600	650	650	700	700	600	550	550	600
Service-producing	22,000	21,900	22,200	23,000	23,350	23,900	24,100	24,400	24,700	23,600	23,100	23,150	23,300
Transportation	1,600	1,550	1,600	1,650	1,800	2,050	2,050	2,150	2,100	1,900	1,700	1,700	1,800
Trucking & Warehousing	300	350	350	350	350	400	400	450	400	350	350	350	350
Air Transportation	300	300	300	250	300	300	300	300	300	300	300	300	300
Communications	300	300	300	300	300	300	300	300	300	350	350	350	300
Trade	5,100	4,950	5,100	5,650	6,000	6,350	6,250	6,300	6,250	5,500	5,450	5,500	5,700
Wholesale Trade	650	650	700	700	750	750	750	800	750	700	650	650	700
Retail Trade	4,450	4,300	4,400	4,950	5,250	5,600	5,500	5,500	5,500	4,800	4,800	4,850	5,000
Gen. Merch. & Apparel	550	500	500	500	550	600	600	600	600	600	650	700	600
Food Stores	750	750	750	750	750	800	800	800	850	750	750	750	750
Eating & Drinking Places	1,600	1,600	1,650	2,100	2,300	2,550	2,400	2,400	2,400	1,700	1,700	1,650	2,000
Finance-Ins. & Real Estate	900	750	750	800	800	800	850	850	850	850	850	850	850
Services & Misc.	5,450	5,450	5,500	5,500	5,650	6,000	6,400	6,550	6,150	5,700	5,600	5,650	5,800
Government	8,950	9,200	9,250	9,400	9,100	8,700	8,550	8,550	9,350	9,650	9,500	9,450	9,150
Federal	2,750	2,700	2,700	2,750	2,800	2,800	2,900	2,850	2,850	2,800	2,750	2,800	2,800
State	3,650	3,950	4,000	4,050	3,650	3,500	3,400	3,400	3,900	4,200	4,150	4,050	3,850
Local	2,550	2,550	2,550	2,600	2,650	2,400	2,250	2,300	2,600	2,650	2,600	2,600	2,550

Fairbanks North Star Borough 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	23,650	24,150	24,650	25,500	26,450	28,250	28,300	28,600	28,900	27,300	26,400	26,100	26,500
Goods-producing	1,650	1,600	1,800	1,900	2,200	2,750	2,800	2,850	3,050	2,650	2,200	1,900	2,300
Mining	100	100	100	100	150	200	200	250	200	200	150	100	150
Construction	1,050	1,050	1,200	1,300	1,500	1,950	2,000	2,000	2,200	1,900	1,550	1,300	1,600
Manufacturing	500	450	500	500	550	600	600	600	650	550	500	500	550
Service-producing	22,000	22,550	22,850	23,600	24,250	25,500	25,500	25,750	25,850	24,650	24,200	24,200	24,250
Transportation	1,650	1,650	1,600	1,700	1,900	2,050	2,100	2,200	2,200	1,950	1,750	1,750	1,900
Trucking & Warehousing	400	400	350	400	400	450	450	500	450	450	450	450	450
Air Transportation	300	300	300	300	350	350	400	400	400	350	350	350	350
Communications	300	300	300	250	300	300	250	250	250	250	250	250	250
Trade	5,050	5,050	5,200	5,500	6,000	6,600	6,500	6,600	6,550	5,850	5,800	5,800	5,900
Wholesale Trade	650	650	650	650	700	750	750	800	800	700	700	700	700
Retail Trade	4,400	4,400	4,550	4,850	5,300	5,850	5,750	5,800	5,750	5,150	5,100	5,100	5,150
Gen. Merch. & Apparel	600	600	600	650	650	700	750	700	700	650	700	750	650
Food Stores	700	700	700	750	750	800	800	800	800	850	800	800	750
Eating & Drinking Places	1,600	1,600	1,650	1,800	2,200	2,500	2,350	2,400	2,400	1,750	1,750	1,700	2,000
Finance-Ins. & Real Estate	800	750	800	800	850	950	900	900	900	900	850	850	850
Services & Misc.	5,500	5,450	5,500	5,750	5,850	6,300	6,500	6,650	6,250	5,900	5,850	5,850	5,950
Government	9,000	9,650	9,750	9,850	9,650	9,600	9,500	9,400	9,950	10,050	9,950	9,950	9,700
Federal	2,850	2,900	2,950	3,000	3,150	3,250	3,250	3,250	3,150	3,100	3,050	3,100	3,100
State	3,600	4,150	4,200	4,200	3,850	3,900	3,900	3,800	4,150	4,300	4,250	4,200	4,050
Local	2,550	2,600	2,600	2,650	2,650	2,450	2,350	2,350	2,650	2,650	2,650	2,650	2,550

Annual averages may not add due to rounding.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989

Source: Alaska Department of Labor, Research and Analysis Section

Nonagricultural Wage and Salary Employment By Place of Work 1988 & 1989

Interior Region 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	27,050	27,100	27,300	28,800	29,450	30,800	31,150	31,650	31,900	30,050	28,800	28,400	29,350
Goods-producing	1,800	1,900	1,900	2,200	2,500	2,900	3,100	3,200	3,100	2,650	2,250	2,000	2,450
Mining	200	300	300	300	300	350	400	400	400	350	300	250	300
Construction	1,100	1,100	1,100	1,300	1,600	1,850	2,000	2,100	2,000	1,700	1,400	1,200	1,550
Manufacturing	500	500	500	600	600	700	700	700	700	600	550	550	600
Service-producing	25,250	25,200	25,400	26,600	26,950	27,900	28,050	28,450	28,800	27,400	26,550	26,400	26,900
Transportation	1,850	1,850	1,900	1,950	2,150	2,500	2,450	2,600	2,500	2,250	2,000	2,000	2,150
Trade	5,400	5,250	5,350	5,950	6,300	6,800	6,750	6,800	6,700	5,850	5,800	5,800	6,050
Finance-Ins. & Real Estate	1,000	800	800	900	850	900	950	950	900	900	900	900	900
Services	5,850	5,850	5,900	6,000	6,200	6,650	7,100	7,200	6,750	6,250	6,000	6,050	6,300
Government	11,150	11,450	11,450	11,800	11,450	11,050	10,800	10,900	11,950	12,150	11,850	11,650	11,450
Federal	3,300	3,250	3,250	3,300	3,350	3,450	3,550	3,550	3,500	3,450	3,300	3,300	3,400
State	3,950	4,250	4,300	4,400	4,000	3,850	3,750	3,800	4,350	4,550	4,450	4,300	4,150
Local	3,900	3,950	3,900	4,100	4,100	3,750	3,500	3,550	4,100	4,150	4,100	4,050	3,950

Interior Region 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	27,250	27,700	28,200	29,600	30,550	32,600	32,750	33,100	33,400	31,550	30,250	30,050	30,600
Goods-producing	1,850	1,850	1,950	2,200	2,450	3,050	3,100	3,100	3,250	2,900	2,450	2,150	2,550
Mining	250	250	250	300	300	350	350	350	350	300	250	250	300
Construction	1,100	1,100	1,200	1,350	1,550	2,050	2,100	2,100	2,250	2,000	1,650	1,350	1,650
Manufacturing	500	500	500	550	600	650	650	650	650	600	550	550	600
Service-producing	25,400	25,850	26,250	27,400	28,100	29,550	29,650	30,000	30,150	28,650	27,800	27,900	28,050
Transportation	1,950	1,850	1,800	1,900	2,150	2,400	2,450	2,500	2,450	2,200	1,950	1,950	2,150
Trade	5,400	5,400	5,600	5,900	6,450	7,100	7,000	7,100	7,000	6,250	6,150	6,200	6,300
Finance-Ins. & Real Estate	850	850	900	900	950	1,000	1,000	1,000	1,000	950	950	950	950
Services	5,900	5,850	5,900	6,350	6,400	7,000	7,250	7,400	6,900	6,500	6,300	6,300	6,500
Government	11,300	11,900	12,050	12,350	12,150	12,050	11,950	12,000	12,800	12,750	12,450	12,500	12,200
Federal	3,400	3,450	3,500	3,600	3,800	4,000	4,000	4,000	3,900	3,750	3,600	3,650	3,700
State	3,850	4,400	4,450	4,550	4,150	4,250	4,350	4,350	4,650	4,600	4,550	4,500	4,400
Local	4,050	4,050	4,100	4,200	4,200	3,800	3,600	3,650	4,250	4,400	4,300	4,350	4,100

Annual averages may not add due to rounding.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989

Source: Alaska Department of Labor, Research and Analysis Section

Manufacturing Series Break as of January 1988

In addition to dropping the "Lumber and Paper Products" hours and earnings estimates, a break occurred in one hours and earnings series. Due to the composition of the manufacturing estimates sample, a series break was taken in the hours and earnings estimates for the manufacturing industry.

Labor Force Data Revised

Labor force statistics are also benchmarked in January using the new nonagricultural wage and salary numbers as well as other updated data. These benchmarked data were calculated using a new methodology for estimating the statewide unemployment rate. (See Table 20.) For further details on the change to the regression equation used to calculate the unemployment rate, contact the Alaska Department of Labor, Research and Analysis Section.

The employment numbers in the labor force table differ from the nonagricultural wage and salary numbers because of the disparate definitions and methodologies used in making estimates. Nonagricultural wage and salary employment is considered the better indicator of changes in industry employment; the labor force data is considered the better measure of job prospects and of current hardships of the unemployed.

(continued on page 16)

Tables 17 & 18

Nonagricultural Wage and Salary Employment By Place of Work 1988 & 1989

Northern Region 1988

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	12,100	12,450	12,550	12,800	12,950	13,800	13,300	13,650	13,800	13,500	13,300	13,100	13,100
Goods-producing	4,300	4,600	4,850	5,250	5,300	6,100	5,850	5,850	5,800	5,500	5,300	5,100	5,300
Mining	3,900	4,150	4,450	4,850	4,850	5,550	5,100	5,200	5,000	4,750	4,750	4,650	4,750
Service-producing	7,800	7,850	7,700	7,550	7,650	7,700	7,650	7,800	8,000	8,000	8,000	8,000	7,800
Government	4,400	4,450	4,500	4,250	4,350	4,350	4,000	4,100	4,450	4,400	4,450	4,400	4,350
Federal	350	350	350	350	350	400	350	350	350	300	300	250	350
State	300	350	350	350	350	300	300	300	350	350	350	350	350
Local	3,750	3,750	3,800	3,550	3,650	3,650	3,350	3,450	3,750	3,750	3,800	3,800	3,650

Northern Region 1989

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	12,100	12,750	13,050	13,150	13,700	14,350	14,000	14,350	14,650	14,450	14,300	13,950	13,750
Goods-producing	4,700	4,900	5,100	5,100	5,550	6,150	6,150	6,150	6,350	6,000	5,900	5,550	5,650
Mining	4,350	4,550	4,750	4,600	4,900	5,350	5,200	5,300	5,400	5,400	5,400	5,050	5,000
Service-producing	7,400	7,850	7,950	8,050	8,150	8,200	7,850	8,200	8,300	8,450	8,400	8,400	8,100
Government	4,050	4,300	4,400	4,500	4,400	4,300	3,700	4,100	4,250	4,500	4,500	4,500	4,300
Federal	250	250	250	300	250	300	300	300	250	250	250	250	250
State	350	350	350	350	350	350	300	300	350	350	350	350	350
Local	3,450	3,700	3,800	3,850	3,800	3,650	3,100	3,500	3,650	3,900	3,900	3,900	3,700

Annual averages may not add due to rounding.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1989

Source: Alaska Department of Labor, Research and Analysis Section

Two New Labor Force Series Introduced

It is the policy of the Alaska Department of Labor to publish unemployment rates for all boroughs in the state. In accordance with that policy, this issue introduces an unemployment rate for Alaska's newest borough, the Aleutians East Borough. The new borough unemployment rate incorporates a portion of the former Aleutian Islands Census Area, and the balance of the old census area will be published as the Aleutians West Census Area. Historical data for the Aleutians East Borough and the Aleutians West Census Area are available back to 1986.

Labor Force Data Shows Best Job Market in Recent Memory

In 1989, Alaska posted a phenomenally low unemployment rate of 6.7%, the lowest level of unemployment since 1976. (No comparable unemployment rates are available prior to 1976.) Unemployment began and ended the year under the double-digit level, the first time that every month of the year has been below the 10.0% level. As 1989 closed, Alaska was on a string of 19 consecutive months of unemployment below 10.0%. The lowest unemployment rate recorded during 1989 was 4.7% in August. These signs indicate that there were better conditions for job seekers in Alaska's 1989 job market than the state had seen in quite some time.

Notes:

1/ The Alaska Department of Labor (AKDOL) would like to acknowledge Louisiana Pacific's Ketchikan Pulp Company and the Alaska Pulp Corporation of Sitka for their cooperation in allowing the Pulp Mills employment estimate to be published. Without their assistance, the Alaska Department of Labor would not have been able to publish an estimate of pulp mill employment because it would have violated the confidentiality requirements under which this data is gathered. Due to the cooperation of these two employers, AKDOL was able to continue to publish meaningful estimates for Alaska's timber industry.

Alaska Hours and Earnings for Selected Industries 1/2
1989 Annual Averages

Average Weekly Earnings 1989

	1/89	2/89	3/89	4/89	5/89	6/89	7/89	8/89	9/89	10/89	11/89	12/89	Annual Avg.
Mining	$1,140.31	$1,081.78	$1,121.69	$1,059.85	$1,051.27	$1,031.80	$1,069.21	$1,073.96	$1,131.31	$1,039.90	$1,054.02	$1,088.90	$1,078.54
Construction	909.53	896.80	911.20	1,075.48	1,118.00	1,140.68	1,164.97	1,112.98	1,176.90	1,097.47	1,062.66	989.00	1,077.84
Manufacturing	492.06	533.83	519.06	553.85	546.56	461.00	512.62	601.16	533.34	542.14	556.40	546.62	533.24
Seafood Processing	329.18	475.97	469.44	447.68	413.08	315.02	437.36	532.02	375.71	325.08	374.01	362.85	416.89
Trans., Comm. & Utilities	566.56	568.97	573.53	609.41	606.81	619.20	869.30	898.05	718.00	644.47	598.18	588.76	669.38
Trade	378.42	369.27	362.21	384.70	386.69	403.47	408.44	395.16	388.28	396.17	381.38	385.10	386.75
Wholesale	530.35	512.26	523.22	528.26	524.02	544.31	554.71	522.06	534.50	546.06	535.43	548.49	533.45
Retail	328.18	323.33	309.64	336.31	340.79	356.72	358.79	351.88	339.75	346.61	332.47	334.32	338.64
Finance-Ins. & R.E	390.02	392.76	415.23	414.78	407.26	419.62	411.34	403.82	418.42	407.00	401.35	402.34	406.44

Average Weekly Hours 1989

	1/89	2/89	3/89	4/89	5/89	6/89	7/89	8/89	9/89	10/89	11/89	12/89	Annual Avg.
Mining	49.3	49.6	48.6	47.0	47.1	46.9	48.8	49.4	51.8	46.8	46.7	47.2	48.3
Construction	39.7	40.0	40.0	46.0	46.7	46.2	48.5	47.2	47.9	45.9	44.8	43.8	45.4
Manufacturing	40.3	50.6	49.2	47.5	43.9	36.5	46.9	53.2	40.9	39.4	40.0	39.1	44.4
Seafood Processing	39.9	59.2	57.6	50.7	46.0	33.8	49.7	58.4	39.3	36.0	41.1	41.0	47.0
Trans., Comm. & Utilities	35.3	35.1	35.1	36.8	35.8	37.1	48.7	51.2	50.0	38.8	36.1	34.9	40.3
Trade	33.4	33.0	33.2	35.1	34.1	35.8	36.5	35.6	34.3	34.6	33.9	34.6	34.5
Wholesale	38.1	38.4	38.5	38.9	38.0	39.3	38.9	38.5	39.1	38.7	38.3	38.9	38.6
Retail	31.8	31.3	31.5	33.8	32.8	34.7	35.7	34.6	32.7	33.2	32.5	33.2	33.2
Finance-Ins. & R.E	35.2	33.8	35.1	37.2	35.6	37.5	38.3	35.8	36.8	36.7	34.9	35.7	36.0

Average Hourly Earnings 1989

	1/89	2/89	3/89	4/89	5/89	6/89	7/89	8/89	9/89	10/89	11/89	12/89	Annual Avg.
Mining	$23.13	$21.81	$23.08	$22.55	$22.32	$22.00	$21.91	$21.74	$21.84	$22.22	$22.57	$23.07	$22.23
Construction	22.91	22.42	22.78	23.38	23.94	24.69	24.02	23.58	24.57	23.91	23.72	22.58	23.74
Manufacturing	12.21	10.55	10.55	11.66	12.45	12.63	10.93	11.30	13.04	13.76	13.91	13.98	12.01
Seafood Processing	8.25	8.04	8.15	8.83	8.98	9.32	8.80	9.11	9.56	9.03	9.10	8.85	8.87
Trans., Comm. & Utilities	16.05	16.21	16.34	16.56	16.95	16.69	17.85	17.54	14.36	16.61	16.57	16.87	16.61
Trade	11.33	11.19	10.91	10.96	11.34	11.27	11.19	11.10	11.32	11.45	11.25	11.13	11.21
Wholesale	13.92	13.34	13.59	13.58	13.79	13.85	14.26	13.56	13.67	14.11	13.98	14.10	13.82
Retail	10.32	10.33	9.83	9.95	10.39	10.28	10.05	10.17	10.39	10.44	10.23	10.07	10.20
Finance-Ins. & R.E	11.08	11.62	11.83	11.15	11.44	11.19	10.74	11.28	11.37	11.09	11.50	11.27	11.29

Benchmark: March 1989

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

2/ Retail Trade excludes eating and drinking establishments.

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

About the author:

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Table 20

Labor Force By Region and Census Area

Annual Averages — 1987-1989

	Labor Force			Unemployment			Rate			Employment		
	1987	1988	1989	1987	1988	1989	1987	1988	1989	1987	1988	1989
Alaska Statewide	250,000	250,000	253,000	27,000	23,000	17,000	10.8%	9.2%	6.7%	223,000	227,000	236,000
Anch.-MatSu Region	132,001	129,328	128,927	12,705	10,787	7,596	9.6	8.3	5.9	119,296	118,541	121,331
Anchorage Borough	116,501	114,354	114,061	9,831	8,437	5,801	8.4	7.4	5.1	106,670	105,917	108,260
MatSu Borough	15,500	14,973	14,866	2,873	2,350	1,795	18.5	15.7	12.1	12,627	12,623	13,071
Gulf Coast Region	26,642	27,360	30,767	3,668	3,179	2,409	13.8	11.6	7.8	22,974	24,181	28,358
Kenai Peninsula Borough	16,968	17,161	19,084	2,845	2,405	1,779	16.8	14.0	9.3	14,123	14,756	17,305
Kodiak Island Borough	5,656	6,070	7,027	359	348	317	6.3	5.7	4.5	5,297	5,722	6,710
Valdez-Cordova	4,018	4,130	4,657	463	426	313	11.5	10.3	6.7	3,555	3,704	4,344
Interior Region	37,525	36,779	35,984	5,444	4,570	3,217	14.5	12.4	8.9	32,081	32,209	32,767
Fairbanks North Star Bor.	32,267	31,672	31,016	4,484	3,744	2,604	13.9	11.8	8.4	27,783	27,928	28,412
Southeast Fairbanks	2,157	2,091	2,032	349	306	216	16.2	14.6	10.6	1,808	1,785	1,816
Yukon-Koyukuk	3,102	3,017	2,937	611	520	397	19.7	17.2	13.5	2,491	2,497	2,540
Northern Region	8,194	8,250	8,161	900	787	647	11.0	9.5	7.9	7,294	7,463	7,514
Nome	3,117	3,081	3,047	398	351	298	12.8	11.4	9.8	2,719	2,730	2,749
North Slope Borough	2,885	2,974	2,980	163	151	138	5.6	5.1	4.6	2,722	2,823	2,842
Northwest Arctic Borough	2,193	2,195	2,135	340	285	212	15.5	13.0	9.9	1,853	1,910	1,923
Southeast Region	34,067	35,477	35,908	3,265	2,769	2,497	9.6	7.8	7.0	30,802	32,708	33,411
Haines Borough	870	870	873	115	92	79	13.2	10.6	9.0	755	778	794
Juneau Borough	15,142	15,678	15,906	1,067	887	797	7.0	5.7	5.0	14,075	14,791	15,109
Ketchikan Gateway Bor.	6,275	6,607	6,698	635	546	506	10.1	8.3	7.6	5,640	6,061	6,192
Pr. of Wales-Outer Ketch.	2,673	2,776	2,785	393	364	321	14.7	13.1	11.5	2,280	2,412	2,464
Sitka Borough	4,020	4,130	4,164	338	277	228	8.4	6.7	5.5	3,682	3,853	3,936
Skagway-Yakutat-Angoon	1,651	1,788	1,765	285	282	226	17.3	15.8	12.8	1,366	1,506	1,539
Wrangell-Petersburg	3,438	3,629	3,717	433	322	340	12.6	8.9	9.1	3,005	3,307	3,377
Southwest Region	11,571	12,808	13,252	1,019	909	634	8.8	7.1	4.8	10,552	11,899	12,618
Aleutians East Borough	749	900	937	30	29	13	4.0	3.2	1.4	719	871	924
Aleutians West	2,272	2,518	2,623	79	78	35	3.5	3.1	1.3	2,193	2,440	2,588
Bethel	4,503	4,911	5,082	472	401	299	10.5	8.2	5.9	4,031	4,510	4,783
Bristol Bay Borough	442	505	512	45	45	24	10.2	8.9	4.7	397	460	488
Dillingham	2,097	2,295	2,401	182	140	116	8.7	6.1	4.8	1,915	2,155	2,285
Wade Hampton	1,508	1,680	1,698	210	217	147	13.9	12.9	8.7	1,298	1,463	1,551

Notes: p/ denotes preliminary estimates r/ denotes revised estimates Benchmark: 1989

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place exclude anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

New Decade Begins On A Strong Note

By Neal Fried

Signs of a recession in the lower 48 exist, but there are no such signs in Alaska. The economic strength of 1989 has extended into 1990 even without oil spill activity. Alaska's economy was humming along at a healthy over-the-year growth rate of 5% in January.

However, this growth pace will be difficult to sustain after March because of the bulge in employment created by the oil spill cleanup work force in April of 1989. But, as January's employment illustrates, there is an undercurrent of growth in Alaska's economy without any help from oil spill activity. Barring January's seasonal loss of 8,300 jobs, strength in over-the-year gains can be found in almost all of the state's industries and in all geographic areas.

Oil And Hard Rock Mining Healthy

Employment in January's oil industry was 600 stronger than a year earlier. Oil prices continued to be close to $20/barrel, making efforts to recover more oil increasingly worthwhile.

Employment in the hard rock mining industry is also starting the new year out right. With both Greens Creek and Red Dog almost fully operational, Alaska's hard rock mining figures are looking good. And this is in spite of the closure of the Valdez Creek Mine in November. There is some hope this facility will reopen sometime in 1990. Activity in a number of other operations, mostly gold prospects, should keep the employment growing all year.

Fishing — Losing Some Of Its Luster?

January seafood processing was boosted slightly by the pollock harvest that took place in the Gulf of Alaska.

Table 1

Nonagricultural Wage and Salary Employment By Place of Work — Alaska

	p/ 1/90	r/ 12/89	1/89	Changes from: 12/89	Changes from: 1/89
Total Nonag. Wage & Salary	212,900	221,200	202,200	-8,300	10,700
Goods-producing	27,900	29,600	26,500	-1,700	1,400
Mining	9,900	9,900	9,200	0	700
Construction	7,000	8,100	6,600	-1,100	400
Manufacturing	11,000	11,600	10,700	-600	300
Durable Goods	2,200	3,000	2,100	-800	100
Lumber & Wood Products	1,500	2,300	1,500	-800	0
Nondurable Goods	8,800	8,600	8,600	200	200
Seafood Processing	5,100	4,900	5,100	200	0
Pulp Mills	900	900	900	0	0
Service-producing	185,000	191,600	175,700	-6,600	9,300
Transportation	17,900	18,600	16,300	-700	1,600
Trucking & Warehousing	2,100	2,300	2,000	-200	100
Water Transportation	1,000	1,200	800	-200	200
Air Transportation	6,200	6,300	5,400	-100	800
Communications	3,200	3,200	3,100	0	100
Trade	42,500	44,900	40,200	-2,400	2,300
Wholesale Trade	7,800	7,900	7,200	-100	600
Retail Trade	34,700	37,000	33,000	-2,300	1,700
Gen. Merch. & Apparel	5,400	6,300	4,900	-900	500
Food Stores	6,400	6,600	6,000	-200	400
Eating & Drinking Places	11,700	12,300	11,600	-600	100
Finance-Ins. & Real Estate	10,400	10,500	10,400	-100	0
Services & Misc.	45,500	46,900	42,700	-1,400	2,800
Hotels & Lodging Places	4,400	4,500	3,900	-100	500
Government	68,700	70,700	66,100	-2,000	2,600
Federal	18,500	19,000	17,500	-500	1,000
State	19,900	21,200	19,000	-1,300	900
Local	30,300	30,500	29,600	-200	700

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark date: March 1989

p/ denotes preliminary estimates r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section

Table 2

Nonagricultural Wage and Salary Employment By Place of Work

Anchorage Borough

	p/ 1/90	r/ 12/89	Changes from: 1/89	12/89	1/89
Total Nonag. Wage & Salary	102,850	105,650	97,900	-2,800	4,950
Goods-producing	8,800	9,200	8,550	-400	250
Mining	3,550	3,500	3,500	50	50
Construction	3,400	3,800	3,300	-400	100
Manufacturing	1,850	1,900	1,750	-50	100
Service-producing	94,050	96,450	89,350	2,400	4,700
Transportation	9,900	10,250	8,700	-350	1,200
Trucking & Warehousing	1,400	1,400	1,150	0	250
Water Transportation	250	350	150	-100	100
Air Transportation	3,750	3,900	3,300	-150	450
Communications	1,850	1,850	1,750	0	100
Trade	24,900	26,000	23,950	-1,100	950
Wholesale Trade	5,800	5,950	5,500	-150	300
Retail Trade	19,100	20,050	18,450	-950	650
Gen. Merch. & Apparel	2,700	3,000	2,550	-300	150
Food Stores	3,100	3,250	2,950	-150	150
Eating & Drinking Places	7,250	7,450	7,250	-200	0
Finance-Ins. & Real Estate	6,800	6,800	6,900	0	-100
Services & Misc.	26,450	26,800	24,500	-350	1,950
Hotels & Lodging Places	2,300	2,400	2,100	-100	200
Government	26,000	26,600	25,300	-600	700
Federal	10,300	10,350	10,150	-50	150
State	7,150	7,750	6,650	-600	500
Local	8,550	8,500	8,500	50	50

Fairbanks North Star Borough

	p/ 1/90	r/ 12/89	Changes from: 1/89	12/89	1/89
Total Nonag. Wage & Salary	24,750	26,100	23,650	-1,350	1,100
Goods-producing	1,750	1,900	1,650	-150	100
Mining	100	100	100	0	0
Construction	1,150	1,300	1,050	-150	100
Manufacturing	500	500	500	0	0
Service-producing	23,000	24,200	22,000	-1,200	1,000
Transportation	1,750	1,750	1,650	0	100
Trucking & Warehousing	450	450	400	0	50
Air Transportation	350	350	300	0	50
Communications	250	250	300	0	-50
Trade	5,350	5,800	5,050	-450	300
Wholesale Trade	700	700	650	0	50
Retail Trade	4,650	5,100	4,400	-450	250
Gen. Merch. & Apparel	600	750	600	-150	0
Food Stores	750	800	700	-50	50
Eating & Drinking Places	1,600	1,700	1,600	-100	0
Finance-Ins. & Real Estate	850	850	800	0	50
Services & Misc.	5,650	5,850	5,500	-200	150
Government	9,400	9,950	9,000	-550	400
Federal	3,050	3,100	2,850	-50	200
State	3,700	4,200	3,600	-500	100
Local	2,650	2,650	2,550	0	100

Anchorage-MatSu Region

	p/ 1/90	r/ 12/89	Changes from: 1/89	12/89	1/89
Total Nonag. Wage & Salary	109,550	112,450	104,200	-2,900	5,350
Goods-producing	9,100	9,500	8,900	-400	200
Mining	3,550	3,500	3,600	50	-50
Construction	3,600	4,000	3,450	-400	150
Manufacturing	1,950	2,000	1,850	-50	100
Service-producing	100,450	102,950	95,300	-2,500	5,150
Transportation	10,600	10,950	9,350	-350	1,250
Trade	26,550	27,750	25,400	-1,200	1,150
Finance-Ins. & Real Estate	7,250	7,250	7,300	0	-50
Services & Misc.	27,700	27,950	25,600	-250	2,100
Government	28,350	29,050	27,650	-700	700
Federal	10,400	10,450	10,250	-50	150
State	7,850	8,550	7,450	-700	400
Local	10,100	10,050	9,950	50	150

Interior Region

	p/ 1/90	r/ 12/89	Changes from: 1/89	12/89	1/89
Total Nonag. Wage & Salary	28,550	30,050	27,250	-1,500	1,300
Goods-producing	1,950	2,150	1,850	-200	100
Mining	250	250	250	0	0
Construction	1,200	1,350	1,100	-150	100
Manufacturing	500	550	500	-50	0
Service-producing	26,600	27,900	25,400	-1,300	1,200
Transportation	1,950	1,950	1,950	0	0
Trade	5,750	6,200	5,400	-450	350
Finance-Ins. & Real Estate	950	950	850	0	100
Services	6,100	6,300	5,900	-200	200
Government	11,850	12,500	11,300	-650	550
Federal	3,600	3,650	3,400	-50	200
State	3,950	4,500	3,850	-550	100
Local	4,300	4,350	4,050	-50	250

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark date: March 1989 p/ denotes preliminary estimates r/ denotes revised estimates

(cont. on page 21)

Source: Alaska Department of Labor, Research & Analysis Section

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 1/90	r/ 12/89	Changes from: 1/89	12/89	1/89
Total Nonag. Wage & Salary	29,000	30,450	27,650	-1,450	1,350
Goods-producing	4,200	5,150	4,000	-950	200
Mining	300	300	250	0	50
Construction	800	950	700	-150	100
Manufacturing	3,100	3,900	3,050	-800	50
Durable Goods	1,350	2,150	1,400	-800	-50
Lumber & Wood Products	1,250	2,000	1,250	-750	0
Nondurable Goods	1,750	1,750	1,650	0	100
Seafood Processing	650	650	600	0	50
Pulp Mills	900	950	900	-50	0
Service-producing	24,800	25,300	23,650	-500	1,150
Transportation	2,000	2,200	1,900	-200	100
Trade	4,900	5,050	4,600	-150	300
Wholesale Trade	600	600	450	0	150
Retail Trade	4,300	4,450	4,150	-150	150
Finance-Ins. & Real Estate	1,050	1,050	950	0	100
Services & Misc.	4,800	5,000	4,600	-200	200
Government	12,050	12,000	11,600	50	450
Federal	2,000	2,100	1,850	-100	150
State	5,550	5,350	5,300	200	250
Local	4,500	4,550	4,450	-50	50

Gulf Coast Region

	p/ 1/90	r/ 12/89	Changes from: 1/89	12/89	1/89
Total Nonag. Wage & Salary	19,450	20,300	18,100	-850	1,350
Goods-producing	4,150	4,350	3,850	-200	300
Mining	850	900	750	-50	100
Construction	800	900	900	-100	-100
Manufacturing	2,500	2,550	2,200	-50	300
Seafood Processing	1,550	1,500	1,400	50	150
Service-producing	15,300	15,950	14,250	-650	1,050
Transportation	1,500	1,500	1,500	0	0
Trade	3,250	3,500	3,050	-250	200
Wholesale Trade	400	450	450	-50	-50
Retail Trade	2,850	3,050	2,600	-200	250
Finance-Ins. & Real Estate	550	550	500	0	50
Services & Misc.	3,850	4,100	3,550	-250	300
Government	6,150	6,300	5,650	-150	500
Federal	500	550	500	-50	0
State	1,800	1,950	1,650	-150	150
Local	3,850	3,800	3,500	50	350

Northern Region

	p/ 1/90	r/ 12/89	Changes from: 1/89	12/89	1/89
Total Nonag. Wage & Salary	13,350	13,950	12,100	-600	1,250
Goods-producing	5,400	5,550	4,700	-150	700
Mining	5,050	5,050	4,350	0	700
Service-producing	7,950	8,400	7,400	-450	550
Government	4,300	4,500	4,050	-200	250
Federal	250	250	250	0	0
State	350	350	350	0	0
Local	3,700	3,900	3,450	-200	250

Southwest Region

	p/ 1/90	r/ 12/89	Changes from: 1/89	12/89	1/89
Total Nonag. Wage & Salary	13,400	13,450	12,950	-50	450
Goods-producing	3,250	2,950	3,200	300	50
Seafood Processing	3,000	2,600	3,000	400	0
Service-producing	10,150	10,500	9,750	-350	400
Government	6,150	6,300	5,900	-150	250
Federal	1,350	1,400	1,300	-50	50
State	500	550	450	-50	50
Local	4,300	4,350	4,150	-50	150

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark date: March 1989 p/ denotes preliminary estimates r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section

Table 3

Alaska Hours and Earnings for Selected Industries [1/2]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 1/90	r/ 12/89	1/89	p/ 1/90	r/ 12/89	1/89	p/ 1/90	r/ 12/89	1/89
Mining	$1,036.29	$1,088.90	$1,140.31	44.9	47.2	49.3	$23.08	$23.07	$23.13
Construction	969.28	989.00	909.53	41.6	43.8	39.7	23.30	22.58	22.91
Manufacturing	501.80	546.62	492.06	41.3	39.1	40.3	12.15	13.98	12.21
Seafood Processing	416.52	362.85	329.18	46.8	41.0	39.9	8.90	8.85	8.25
Trans., Comm. & Utilities	569.38	588.76	566.56	34.3	34.9	35.3	16.60	16.87	16.05
Trade	392.42	385.10	378.42	33.8	34.6	33.4	11.61	11.13	11.33
Wholesale	556.23	548.49	530.35	38.6	38.9	38.1	14.41	14.10	13.92
Retail	338.10	334.32	328.18	32.2	33.2	31.8	10.50	10.07	10.32
Finance-Ins. & R.E	393.63	402.34	390.02	33.5	35.7	35.2	11.75	11.27	11.08

Notes: p/ denotes preliminary estimates r/ denotes revised estimates Benchmark: March 1989

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

2/ Retail Trade excludes eating and drinking establishments.

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section

The entire quarterly quota for pollock was harvested in January. This made for a good January but portends for a slower season in the upcoming months. Communities such as Kodiak have become more used to a sustainable winter employment season since the advent of the bottomfishery.

Timber Holding Its Own

In Southeast, where more than 90% of the state's timber activity is concentrated, employment levels are holding their own. (See Table 2.) This is not bad, considering these levels are historically healthy.

Although small, the rest of the state's share of timber activity is becoming more active. The sawmill in Seward began operating in January. More timber development on the Kenai Peninsula is expected to kick in later this year. And new timber developments are reaching as far north as Nenana, where the Toghotthele Corporation (the village corporation of Nenana) just sold 348 acres of timber to ITT Rayonier. The harvest will begin this winter, and the logs will be exported or shipped to the Seward mill to be processed.

Turbulent Times Of Alaska's Financial Industry May Be Over

Alaska's finance-insurance and real estate (F.I.R.E.) industry is finally coming out of the woods after four straight years of decline. And this was in spite of the fact that two savings and loans were closed down in January.

First Federal Bank and Home Savings Bank were forced to shut their doors by regulators. First Federal was sold to First National Bank of Anchorage, and Home Savings was sold to Security Pacific Bank. Increases in the staff levels of these two banks and in other banks helped offset employment losses caused by the failures.

These past four years have been an extraordinary period of attrition for Alaska's financial industry. Prior to 1986, no financial institution had failed since the Great Depression. The closure of the two savings and loans brought the Alaska list of failures to 14. On the positive side, this chapter of the industry's history has probably come to a close. Most of the survivors are presently reporting healthy balance sheets.

The rest of F.I.R.E is also perking up. On the real estate side, the news only gets better. According to a recent survey of Anchorage realtors, prices have hit bottom for most housing stock and for some prices have begun to climb again. The Fairbanks picture has been even more positive than Anchorage, and there is little question that Juneau is on a strong rebound. The MatSu Borough and parts of the Kenai real estate market remain soft. But it appears that falling real estate values will no longer dominate the economic news in 1990.

Rest Of The Service-producing Sector Remains Strong

Both trade and services remain the engines of employment growth for most areas of the state. Although these two industries lost a combined 3,800 jobs in January, the losses were almost entirely seasonal. The slowdown is largely a case of employers trying to catch their breath after the Christmas shopping frenzy. And although Nordstrom's in Fairbanks closed its doors in January, there are still 5,100 more jobs statewide in trade and services combined than there was a year ago. As long as the state's population keeps growing, along with income, no big change in this trend is expected.

The public sector posted solid gains on all fronts in January. Employment remains on the positive side of the ledger for both university and state government operations. Local governments' numbers are showing improvement. Last year most of the improvement was on the educational side, and now it looks like the rest of the local government picture is improving. Most local governments appear to be on firmer financial ground than in recent years. Many have downsized, property values are either rebounding or are beginning to stabilize, and support from Juneau in the immediate future looks good.

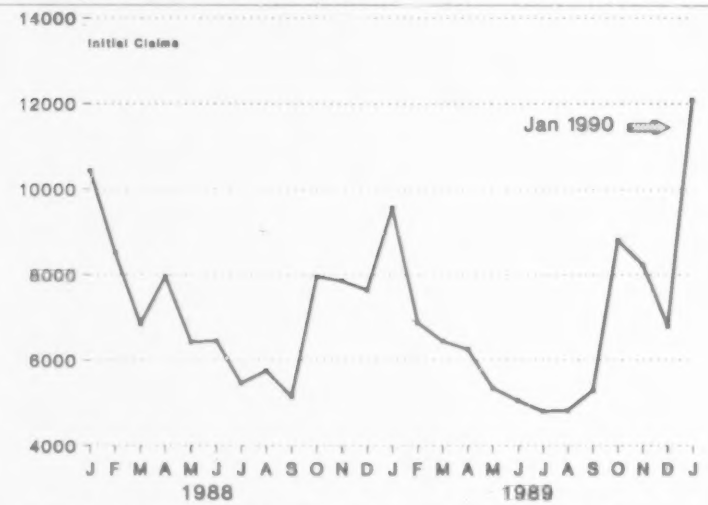
On the federal side, most of the growth is coming from the military non-appropriated fund activities. They are self-supporting activities that do not depend on the federal budget for their operations. These operations include post exchanges (PXs) and commissaries, where employment has grown as military facilities were expanded. The civil service, which accounts for most of the civilian federal employment, is not expected to grow because of the affects of Gramm-Rudman and possible cuts in military spending. Currently, the Department of Defense has a freeze on hiring.

Oil Spill Workers and Others Hit Unemployment Lines

January's unemployment rate climbed from 7.0% in December to 8.6% in January — not an altogether unusual occurrence in January in Alaska. January's unemployment rate got a hefty boost from a surge of oil spill workers who became eligible for unemployment benefits in January. So hefty that initial unemployment claims in January climbed to 10,218, the highest since 1986. (See Figure 1.) Not all of the increase can be attributed to oil spill workers, because more seasonal workers, such as construction workers, also worked last season. Although it might be natural to interpret this increase in unemployment as bad news, it may mean more people became eligible for unemployment benefits during January because more were able to find work last summer in Alaska's seasonal industries.

Figure 1

Alaska Unemployment Claims (Initials) January 1988 – January 1990



Source: Alaska Department of Labor, Research and Analysis Section

Summary: January Starts Out 1990 Right

Alaska's economy kept growing in January 1990, ushering in the second year of employment growth. And this came without much help from oil spill activity.

The positive employment numbers were not confined to any one industry or geographic area, but instead were widespread. On the natural resources side, both oil and the hard rock mining industries continued to post gains. The timber and fishing industries held their own in January. It appears the fishing industry's strong growth of the past three years may become just a memory from the past.

In the service-producing industries the big story was that Alaska's financial industry is finally emerging out of four straight years of losses. Although two more saving and loans closed in January, they will probably be the last. The remainder of the financial institutions outlook has also improved. Not surprisingly, trade and services remain the largest generators of new jobs.

The unemployment rate climbed significantly in January as large numbers of oil spill workers became eligible for unemployment benefits. But the unemployment rate still remained below year-ago levels.

About the author:

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Table 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate			Employment		
	p/ 1/90	r/ 12/89	1/89	p/ 1/90	r/ 12/89	1/89	p/ 1/90	r/ 12/89	1/89	p/ 1/90	r/ 12/89	1/89
Alaska Statewide	250,871	252,084	243,228	21,458	17,732	22,384	8.6%	7.0%	9.2%	229,413	234,352	220,844
Anch.-MatSu Region	132,419	132,568	128,697	9,363	7,908	9,852	7.1	6.0	7.7	123,056	124,660	118,845
Anchorage Borough	116,883	117,414	113,762	6,931	5,904	7,553	5.9	5.0	6.6	109,952	111,510	106,209
MatSu Borough	15,536	15,154	14,935	2,432	2,004	2,299	15.7	13.2	15.4	13,104	13,150	12,636
Gulf Coast Region	27,554	27,426	25,862	3,684	2,863	3,538	13.4	10.4	13.7	23,870	24,563	22,324
Kenai Peninsula Borough	17,244	16,916	16,252	2,678	1,927	2,630	15.5	11.4	16.2	14,566	14,989	13,622
Kodiak Island Borough	5,983	6,344	5,683	335	532	401	5.6	8.4	7.1	5,648	5,812	5,282
Valdez-Cordova	4,327	4,166	3,927	671	404	507	15.5	9.7	12.9	3,656	3,762	3,420
Interior Region	35,467	36,079	34,913	3,835	3,146	4,317	10.8	8.7	12.4	31,632	32,933	30,596
Fairbanks North Star Bor.	30,455	31,039	30,126	3,028	2,484	3,597	9.9	8.0	11.9	27,427	28,555	26,529
Southeast Fairbanks	2,086	2,063	2,010	333	238	315	16.0	11.5	15.7	1,753	1,825	1,695
Yukon-Koyukuk	2,926	2,977	2,777	474	424	405	16.2	14.2	14.6	2,452	2,553	2,372
Northern Region	8,317	8,393	7,765	703	529	666	8.5	6.3	8.6	7,614	7,864	7,099
Nome	3,083	3,123	2,899	298	247	302	9.7	7.9	10.4	2,785	2,876	2,597
North Slope Borough	3,021	3,081	2,825	141	106	140	4.7	3.4	5.0	2,880	2,975	2,685
Northwest Arctic Borough	2,213	2,189	2,041	264	176	224	11.9	8.0	11.0	1,949	2,013	1,817
Southeast Region	34,515	35,163	33,686	3,262	2,771	3,425	9.5	7.9	10.2	31,253	32,392	30,261
Haines Borough	852	864	823	109	94	104	12.8	10.9	12.6	743	770	719
Juneau Borough	14,979	15,488	14,587	845	841	902	5.6	5.4	6.2	14,134	14,647	13,685
Ketchikan Gateway Bor.	6,523	6,546	6,444	731	543	836	11.2	8.3	13.0	5,792	6,003	5,608
Pr. of Wales-Outer Ketch.	2,775	2,700	2,776	470	311	544	16.9	11.5	19.6	2,305	2,389	2,232
Sitka Borough	3,937	4,100	3,836	256	284	271	6.5	6.9	7.1	3,681	3,816	3,565
Skagway-Yakutat-Angoon	1,813	1,729	1,779	374	237	386	20.6	13.7	21.7	1,439	1,492	1,393
Wrangell-Petersburg	3,636	3,736	3,441	477	461	382	13.1	12.3	11.1	3,159	3,275	3,059
Southwest Region	12,599	12,455	12,305	611	515	586	4.8	4.1	4.8	11,988	11,940	11,719
Aleutians East Borough	897	892	879	19	18	21	2.1	2.0	2.4	878	874	858
Aleutians West	2,493	2,476	2,437	34	27	34	1.4	1.1	1.4	2,459	2,449	2,403
Bethel	4,787	4,728	4,660	243	202	218	5.1	4.3	4.7	4,544	4,526	4,442
Bristol Bay Borough	489	475	500	25	13	47	5.1	2.7	9.4	464	462	453
Dillingham	2,330	2,299	2,263	159	137	141	6.8	6.0	6.2	2,171	2,162	2,122
Wade Hampton	1,603	1,585	1,566	131	118	125	8.2	7.4	8.0	1,472	1,467	1,441

Notes: p/ denotes preliminary estimates r/ denotes revised estimates Benchmark: 1989

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

Alaska Economic Regions

ALASKA ECONOMIC TRENDS
ALASKA DEPARTMENT OF LABOR
EMPLOYMENT SECURITY DIVISION
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JUNEAU, ALASKA 99802

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PENALTY FOR PRIVATE USE $300

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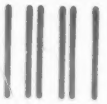

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SRI Acquisitions
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